

Daily Report

China

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Daily Report China

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United States & Canaada

Zhao Ziyang Meets With Gannett Newspaper Group

Discusses Reform, Taiwan, Relations OW0605164288 Beijing XINHUA Domestic Service in Chinese 1303 GMT 6 May 88

[by reporter Zhu Yunlong]

[Text] Beijing, 6 May (XINHUA)—Zhao Ziyang, general secretary of the CPC Central Committee, had a meeting in Zhongnanhai this afternoon with members of a delegation of the board of directors of the U.S. Gannett Newspaper Group, headed by its chairman, Allen Neuharth.

Welcoming the U.S. visitors, Zhao Ziyang said that China wants to know more about other countries and hopes they will learn more about China.

He said: Because of reform and open policy aiming at achieving the four modernizations, major changes have indeed taken in China over the past decade. China will continue to uphold this policy, which will remain unchanged for a long time to come. Comrade Deng Xiaoping has told foreign visitors on many occasions that if there is any change, it will be one that will bring greater openness and more thorough reform.

Commenting on price reform at home, Zhao Ziyang said: We are systematically readjusting commodity prices in a well-guided manner according to plans so that commodity prices can become more rational and the people can have a better life. We hope the index of price increases will drop and the economy will grow steadily in a few years.

On the issue of Taiwan, Zhao Ziyang said: Although the Taiwan authorities still refuse to cooperate in trade, shipping and aviation, and postal service with the mainland and uphold their "three-no's policy," there have now been more contacts between Mainland China and Taiwan and indirect trade has grown substantially.

On Sino-U.S. relations, Zhao Ziyang said: Generally speaking, the relations between the two countries are good. China considers it important to develop these relations. President Reagan has also done a lot in this regard. The present problems between the two countries are the attitude of the United States toward Taiwan, and U.S. restrictions on technological transfers to China. Although the United States regards China as a non-aligned and friendly country, China is still discriminated against in technological transfer. Moreover, a small number of U.S. congressmen have hurt the Chinese people's feelings by saying some things which constitute interference in China's internal affairs.

Zhao Ziyang said: Sino-U.S. relations must be built on the basis of peace and development, and such relations should not be directed against a third country, or they will be unstable and transient. Zhao Ziyang said he hopes the two countries will from now on do more things conducive to their friendship and will not do or will do fewer which are detrimental to this friendship. He said he believes Sino-U.S. relations will grow constantly and soundly.

Zhao Ziyang also said that China welcomes more U.S. entrepreneurs to invest in China's coastal areas and enter into economic and trade cooperation with them. He also expressed the hope that the United States will take the lead in China's foreign economic cooperation.

After the meeting, Mu Qing, president of XINHUA NEWS AGENCY, hosted a banquet at the Great Hall of the People in honor of the U.S. visitors. Present at the banquet were Guo Chaoren and Zeng Jianhui, vice presidents of XINHUA; Tan Wenrui, editor-in-chief of RENMIN RIBAO; Nie Dajiang, vice minister of radio, film and television; and others.

The largest newspaper trust in the United States, the Gannett Group owns 91 dailies and eight television stations. The total circulation of its newspapers has reached 5.5 million.

Views Relations With U.S. OW0605144588 Beijing XINHUA in English 1416 GMT 6 May 88

[Text] Beijing, May 6 (XINHUA)—Chinese Leader Zhao Ziyang said today, generally speaking Sino-U.S. Relations are good, and China considers development of these relations important, and President Reagan has also done a lot in this regard.

Zhao Ziyang, general secretary of the Central Committee of the Chinese Communist Party, made the remark here this afternoon when meeting a delegation of the Board of Directors of the U.S. Gannett Group, a newspaper trust, led by its chairman Allen H. Neuharth.

The present problems between the two countries are the attitude of the United States toward Taiwan and U.S. restrictions on technological transfer to China, Zhao said.

Although the U.S. regards China as a non-aligned and friendly country, China is still discriminated against in technological transfer, Zhao added.

Moreover, he said, a small number of U.S. congressmen have made some remarks which have in fact interfered in China's internal affairs and as a result hurt the feelings of the Chinese people.

Sino-U.S. relations must be built on the basis of peace and development, Zhao said, adding such relations should not be directed against a third country, or they will be unstable and transient.

Zhao said he hopes the two countries will do more things conducive to their friendship and will not do or do less which are detrimental to this friendship.

Zhao also said he believes Sino-U.S. relations will grow constantly and healthily.

According to Zhao, China welcomes more U.S. entrepreneurs to invest in China's coastal areas and enter into economic and trade cooperation, and expressed the hope the U.S. will take the lead in China's foreign economic cooperation.

China wants to know more about other countries and hopes they will want to learn more about China, the Chinese leader said.

Zhao said major changes have taken place in China over the past decade, and these changes are a result of the country's reform and open policy, which are aimed at realizing the country's modernization program. China will continue the policy of reform and opening to the outside world, Zhao added.

On China's price system reform Zhao said, China will readjust market prices in a systematic way, which will gradually rationalize the country's price structure.

Zhao said he believes through several years of work the increase rate of prices will go down while the economy will continue to grow.

On the Taiwan issue, Zhao said, although Taiwan authorities still refuse to cooperate in trade, shipping and aviation and postal service with the mainland and persist in a "three no's" policy, contact between the mainland and Taiwan has increased and indirect trade has grown substantially.

After the meeting, Mu Qing, president of XINHUA NEWS AGENCY, hosted a banquet for the U.S. Visitors in the Great Hall of the People.

Vice Premier Tian Jiyun Arrives in Washington OW0905001688 Beijing XINHUA in English 2330 GMT 8 May 88

[Text] Washington, May 8 (XINHUA)—Chinese Vice-Premier Tian Jiyun and the Chinese Government delegation he is leading arrived in Washington by air this afternoon on a 9-day official friendship visit to the United States at the invitation of U.S. Vice-President George Bush.

Upon their arrival at the Andrews Air Force Base by special plane, they were met by Selwa Roosevelt, chief of protocol; and Gaston Sigur, assistant secretary of state, on behalf of President Reagan and Vice-President Bush. U.S. Ambassador to China Winston Lord and Brigadier General Edward Giddings, commander of Air Force district of Washington, and other officials were present.

Chinese Ambassador to the U.S. Han Xu and other senior diplomatic officials of the Chinese Embassy in Washington were also present.

During his stay here, the Chinese vice-premier will attend the Sixth Session of the Sino-U.S. Joint Commission on Commerce and Trade.

The vice-premier and his party came to Washington after concluding a friendship visit to Mexico. Canada will be the last leg of their tour.

U.S. Secretary of State George P. Shultz is to host a dinner this evening in honor of the Chinese vice-premier and his party.

U.S., Chinese Ships Collide in East China Sea OW0705054988 Tokyo KYODO in English 0533 GMT 7 May 88

[Text] Kagoshima, May 7 KYODO—A U.S. freighter and a Chinese fishing boat collided in the East China Sea on Friday afternoon leaving 17 Chinese crew members missing, Japan's Maritime Safety Agency officials said Saturday.

Quoting a report from the Chinese Government, the officials said the U.S. ship was the 40,627-ton President Monroe and the Chinese boat was the Sulianyu manned by a crew of 20.

The report said the collision occurred around 4:45 P.M. Friday about 360 kilometers east of Japan's Amami-Oshima Island.

It said three of the 20 Chinese aboard the fishing boat were rescued but 17 others are still missing.

The Japanese agency has sent three patrol boats and an aircraft to the scene to join about 30 Chinese fishing boats in searching the missing Chinese.

The Chinese report said the U.S. ship left Japan's Kobe port around noon Friday for Hong Kong carrying 3,000 tons of sundries.

Many Chinese, South Korean and Japanese fishing boats operate around the scene of the collision which is a regular ship route connecting Japan with Taiwan, South Korea, the Philippines and other countries, the agency officials said.

Beijing Pessimistic on Signing of Arms Treaty OW0905044388 Beijing in English to North America 0300 GMT 27 Apr 88

[Text] American Secretary of State George Schultz and his Soviet counterpart Eduard Shevardnadze have just concluded a 2-day meeting in Moscow in preparation for another Reagan-Gorbachev summit in Moscow next month. As our Washington correspondent Zhang Guohua says, the prospects for the signing of a U.S.-Soviet strategic arms at the Moscow summit are not likely despite the Schultz-Shevardnadze meeting.

U.S.-Soviet relations in the past 2 and 1/2 years are often characterized by Reagan-Gorbachev summit meetings and a series of Schultz-Shevardnadze talks that lead to the summits. The latest Schultz-Shevardnadze talks in Moscow last Thursday and Friday were clearly trouble-shooting exchanges aimed at floating President Reagan's planned trip to Moscow and ironing out differences on some key issues that will be discussed at the Moscow summit.

At the last Reagan-Gorbachev summit in Washington last December, both sides signed a landmark treaty eliminating all their medium- and short-range nuclear missiles. They also pledged efforts to negotiate a second treaty cutting the superpowers' strategic arms by 50 percent, hopefully in time for signature at the Moscow summit. Although U.S.-Soviet negotiators have been bargaining hard in Geneva and Schultz and Shevardnadze have made efforts in a series of meetings to make headway, prospects for the signing of the U.S.-Soviet strategic arms treaty at the Moscow summit remain as slim as ever. In a joint communique issued at the end of the Schultz-Shevardnadze talks in Moscow, including a meeting with Gorbachev, both sides promised to make intensive efforts to complete a strategic arms treaty within the shortest time possible. However, they did not even mention the previously declared objective of signing the treaty at the Moscow summit. Observers believe that although the absence of a strategic arms treaty will probably not threaten the Moscow summit itself, the failure to make significant progress in some key areas came as disappointment to many people.

According to TASS reports, in his meeting with Secretary Schultz, Mikhail Gorbachev sharply criticized President Reagan for his recent remarks, which suggest that his go tough policy from a position of strength has forced the Soviet Union to the bargaining table. The remarks by President Reagan and the criticisms by General Secretary Gorbachev are certainly not elements that will help improve the atmosphere prior to and at the Moscow summit.

Foreign Minister Shevardnadze summarized major U.S.-Soviet differences on the strategic arms treaty as five not's, such as problems concerning nonwithdrawal from the 1972 Antiballistic Missiles Treaty, sea launched cruise missiles, air launched cruise missiles, mobile missiles, and verifications.

Apart from arms control, both sides differ sharply on many other issues. Take regional conflicts for example: Although the Soviet Union has agreed to start withdrawing its troops from Afghanistan 2 weeks before the Moscow summit, both sides still blame each other on the future military aid issue; and Schultz and Shevardnadze found their positions as far apart as before on the Gulf war, the Middle East problem, and the Central American conflict. There will be another Schultz-Shevardnadze meeting before the Reagan-Gorbachev Moscow summit, and no major breakthrough is either expected or likely. Some Washington observers say that signing of a U.S.-Soviet strategic arms treaty is not only impossible at the Moscow summit, but highly unlikely during the remainder of the Reagan presidency. They don't expect the Moscow summit to make major substantive progress on other issues either.

U.S., Soviet Experts Urge End to Arms Race OW0805051488 Beijing XINHUA in English 0839 GMT 6 May 88

[Text] Washington, May 5 (XINHUA)—U.S. and Soviet experts today called for a stop to the nuclear and conventional arms race between the two countries to attain "the goal of stable coexistence."

The experts—of the American Committee on U.S.-Soviet Relations and the U.S.A.-Canada Institute of the Academy of Sciences of the Soviet Union—made the call in a joint study released here today.

The study, which began in 1985, covers nuclear danger, the conventional force balance in Europe, regional conflicts and the United Nations.

It recommended 14 policy steps for both countries to take toward the goal of stable coexistence.

On reducing nuclear danger, the study recommended steps such as "an agreement embodying 50-percent cuts in strategic offensive weapons and the elimination of first-strike weapons."

These steps also include a comprehensive nuclear testban, and adhering to the established interpretation of the ABM (antiballistic missile) treaty."

The study said that a stable balance of conventional forces in Europe is "a major element in a structure of stable coexistence."

It recommended that both the North Atlantic Treaty Organization and the Warsaw Pact work toward "substantial reductions and modifications" in their conventional forces in Europe.

Describing the Vietnam war and the Soviet military occupation of Afghanistan as "gross failures," the study urged the United States and the Soviet Union to demilitarize its competition in Third World countries.

It said that the two countries, in handling regional conflicts, should agree on the following measures:

- not to intervene directly or indirectly with military force:
- not to introduce proxy or volunteer military forces or covert paramilitary forces into regional conflicts;
- not to transfer a specified list of sophisticated weapons, and to influence other arms suppliers to adopt the same policy.
- limiting the number of military advisers or trainers sent to Third World countries to a specific small number.

The study also called on the two countries to deal with regional conflicts and related international disputes "primarily through international organizations," including the United Nations.

The U.S. delegation participating in the study was headed by Arthur Macy Cox, former senior official at the State Department, CIA and the Brookings Institution, and Secretary of the American Committee on U.S.-Soviet relations.

His Soviet counterpart was Georgiy Arbatov, director of the U.S.A.-Canada Institute and member of the Central Committee of the Soviet Communist Party and the Supreme Soviet of the Union of Soviet Socialist Republics.

U.S. Author May Write Additional Book on Deng OW0805051288 Beijing XINHUA in English 1200 GMT 6 May 88

[Text] Chengdu, May 6 (by XINHUA correspondent Li Pei)—After writing two books on China's Long March, the old and the new, American author Harrison E. Salisbury is not yet 'inished.

A third is on the way. And while he is not about to divulge its contents, Deng Xiaoping obviously figures large in the story.

Recently Salisbury went to Guangan County to seek out vestiges of the childhood life of Deng who played important roles in both long marches.

Deng participated in the first, which Salisbury wrote about under the title "Long March—The Untold Story," the epic march of the Chinese Communists in 1934-35 seeking a new revolutionary base in northwest China.

Deng was the architect of the second, which Salisbury wrote about under the title "China's New Long March", relating the story behind China's economic reforms that began in 1979.

Salisbury was more concerned now, however, with what life was like in the peasant village of Paifeng where Deng was born in 1904.

Profound changes have occurred in the county since Deng left 68 years ago.

As a boy Deng used to climb on top of a memorial archway in the village that had been erected in honor of one of Deng's ancestors who was a member of the imperial academy and instructor of the Qing Emperor Qianlong.

"I can imagine him doing that from his expression when I met him recently," said Salisbury.

The primary school where Deng studied is now a secondary school. Farmland is now contracted out to individual households. And newly-built township enterprises have sprung up giving surplus labor jobs.

It's a vastly different world [word indistinct] as Deputy County Magistrate Yang Wenan observed, "that stems from Deng's open door policy and the economic reforms."

Said Satisbury, "The social and economic factors here undoubtedly exerted a deep influence on Deng, a little man with a unique disposition, quick wit and lusty vigour."

He wondered how it was that greatness came to Deng and tried to find an answer among Deng's relatives and friends.

One of Deng's childhood companions, Yang Erhe, said Deng was called a "saint" and a "wise boy."

Deng's aunt recalled he could recite a lesson in only three times. [as received]

His ancient uncle, Dan Yixing, who was persecuted during the Cultural Revolution, said Deng owed his achievements "to the wisdom and experience he accumulated in leading the Chinese revolution."

"Do you think that Deng is the best leader in modern China?" asked Salisbury.

"There are a number of outstanding leaders in the country," Dan replied non-committally.

Salisbury busied himself with his camera and, ignoring the protests from his wife, insisted on descending the 200 steps to the tomb of Deng's mother.

He said he became interested in Deng when he wrote his first book on the Long March.

"Many senior Chinese leaders I interviewed mentioned the economic reforms and described it as the second 'Long March'," he said.

The first march involved about 80,000 people. The second, one billion.

"Deng is a key man in both marches and therefore a leading character in my new book."

But when pressed for details he put his forefinger to his lips and whispered, "It's a secret."

Ambassador to U.S. Receives Honorary Degree OW0805110588 Beijing XINHUA Domestic Service in Chinese 0204 GMT 8 May 88

[Text] Washington, 7 May (XINHUA)—Chinese Ambassador to the United States Han Xu today was conferred an honorary doctor's degree in law at the University of Nebraska. Also receiving the same honor was the President of the Beijing University Ding Shisun.

Han Xu spoke at a graduation ceremony attended by 2,000 students and 7,500 family members. He said his receiving such an honor was "an expression of the American people's very friendly feeling toward the Chinese people."

Ambassador Han said the University of Nebraska had played an important role in promoting educational exchange between China and the U.S. It was one of the first American universities establishing relations with Chinese universities. By now there have been over 20,000 Chinese students studying in the U.S., covering all of the 50 states. As of the end of last year, 8,000 American students had been studying in China. He sincerely hoped that this kind of exchange would continue.

The University of Nebraska has established relationship with 15 universities in China. Right now there are over 200 Chinese students studying in this university. Besides, there are 275 people who have graduated from the university and returned to China.

Businessman Praises Business Dealings in Shanghai OW0805213088 Beijing XINHUA in English 1330 GMT 8 May 88

[Text] Shanghai, May 8 (XINHUA)—"It is time to do business with China."

This statement came from Herbert Spiegel, an American tie dealer, in a letter to a commercial counsellor of the Chinese Embassy in Washington upon returning from Shanghai in March.

Spiegel had been to Shanghai in 1984, trying to do some business. "The formalities were so annoying and complicated that I could accomplish nothing although I stayed there for three weeks," he said.

Spiegel came again February 27, and on March 1 he was able to sign an agreement with Waigang tie factory in Jiadin County ordering 3,150 dozens of pure silk ties.

"This time, people here were much more efficient," he said.

Earlier this month, Spiegel sent two telegrams to the factory, saying that all the ties had been sold out.

China Purchases Record Amount of Canadian Wheat OW0605121388 Beijing XINHUA in English 0611 GMT 6 May 88

[Text] Ottawa, May 5 (XINHUA)—With nearly 3 months still left in the current crop year, China has already purchased a record amount of Canadian wheat, a spokesman of the Canadian Wheat Board said yesterday in Brandon, Manitoba.

John Morriss said that as of March 31, China had purchased 4.4 million tons of Canadian wheat, which equaled the previous record set in the 1982-83 crop year.

With nearly 3 months ahead for the current crop year and more shipments anticipated, a new Canadian wheat export record to China will undoubtedly be set, Morriss said.

China may supplant the Soviet Union this year as Canada's biggest customer for wheat, he said.

A longtime buyer of Canadian wheat, China had reduced its purchases in recent years. But last year, it increased its imports by 1.5 million tons to 4.1 million tons.

Morriss said a number of factors could be responsible for the fluctuation in China's wheat imports from Canada, including China's cropping choices, production, port capacity, and its internal transportation system.

As of April 24, the wheat board had sold 15.8 million tons of wheat worldwide, Morriss said, and it is possible that the export volume will match the record 21.3 million tons set in 1983-84.

Soviet Union

USSR Culture Ministers Hold Talks in Beijing OW0605154288 Beijing in Russian to the USSR 1800 GMT 3 May 88

[Text] Our correspondent reports: Wang Meng, PRC minister of culture, met the Soviet delegation headed by Zakharov, USSR minister of culture, on the afternoon of

3 May in Beijing. The guests and hosts held warm and friendly talks. Zakharov is the first Soviet minister of culture to visit China in more than 20 years. Wang Meng warmly welcomed him on behalf of the PRC Ministry of Culture.

During the 2-hour talks, with great interest both sides acquainted one another with cultural structural reforms presently being carried out in both countries, and expressed a desire to strengthen cultural exchanges between China and the Soviet Union.

The 5-man Soviet delegation headed by Zakharov, USSR minister of culture, arrived in Beijing on the morning of 3 May. It will be in China for 1 week.

Cultural Cooperation Plan Signed OW0705191188 Beijing in Russian to the USSR 1800 GMT 4 Apr 88

[Text] A plan for 1988-1990 cultural cooperation between the PRC and USSR Governments was signed on the afternoon of 4 May in Beijing. The plan was signed, on behalf of their respective governments, by PRC Minister of Culture Wang Meng and USSR Minister of Culture Zakharov, who is visiting the PRC.

The first plan for cultural cooperation since the cultural exchange between the two countries was broken off more than 20 years ago, was signed in 1985. Since then, the PRC-USSR cultural exchange has gradually been developing. According to the plan signed on 4 May, the cooperation and ties between both countries in the spheres of culture and the arts, science, education, health, sports, radio broadcasting and television, press and publications, and social security will further develop in the next 3 years.

Li Tieying Meets Minister OW0905104988 Beijing XINHUA in English 1000 GMT 9 May 88

[Text] Beijing, May 9 (XINHUA)—Chinese State Councillor Li Tieying met Soviet Minister of Culture V.G. Zakharov and his party here today.

Members of Nonofficial Groups Seized in Moscow OW0905102588 Beijing XINHUA in English 0725 GMT 9 May 88

[Text] Moscow, May 9 (XINHUA)—Soviet police arrested about 20 members of non-official groups in Moscow yesterday evening, according to well-informed sources here today.

More than 100 members of non-official groups from 15 Soviet cities gathered in Moscow last weekend to create "Democratic Union," a kind of organization which would be dissident from the ruling Communist Party.

They were members of different non-official groups like the group "Installation of Trust between East and West," group "Memorial," group "Perestroika 88" and so on.

Police arrested yesterday evening about 20 people among the members who attended the gathering, but some of them have already been released after interrogation.

Southeast Asia & Pacific

Ministry Blames Vietnam for Spratlys Tension HK0905040888 Hong Kong AFP in English 0329 GMT 9 May 88

[Text] Beijing, May 9 (AFP)—China on Monday accused Vietnam of creating tension in the disputed Spratly Islands in the South China Sea and warned Hanoi that it would have to take responsibility for the consequences.

"It is the Vietnamese authorities who have illegally invaded and occupied some of the islands and atolls of China's Nansha Islands and deliberately created tension in the area," a Foreign Ministry spokesman said by phone.

"The Vietnamese authorities therefore must bear responsibility for the consequences arising from their acts of aggression," he said.

Nansha is the name China gives to the Spratlys, a strategically important chain of some 500 tiny islands and coral reefs that are also claimed in whole or in part by Malaysia, the Philippines and Taiwan.

On Friday the Vietnamese Foreign Ministry accused China of occupying a seventh island in the Spratlys and heightening tension in the islands some 1,500 kilometers (930 miles) from the Chinese mainland and 400 kilometers (250 miles) from Vietnam.

Chinese and Vietnamese ships clashed March 14 for the first time in the region, leaving three Vietnamese dead and 74 missing, according to Hanoi. Beijing said it had taken nine Vietnamese prisoners.

China has a long-standing claim to the islands but established its first real presence in the region in December. Vietnam had already occupied some islands for several years.

TA KUNG PAO Reports Spratlys Survey HK0805073088 Hong Kong TA KUNG PAO in Chinese 8 May 88 p 1

["Special dispatch" by TA KUNG PAO reporter Lin Ning (2651 1337): "An On-the-Spot Report on the Survey Ship's Mission to Build an Observation Station in the Nanshas"]

[Text] Guangzhou, 7 May (TA KUNG PAO)—Waves are running high, coral reefs spread in the sea, and sea gulls are flying around. A Chinese oceanic survey ship is forging ahead in the waters of the Nansha Archipelagos, braving the wind and the waves....

The Nanshas, which were called the immense rocky pond by the Chinese in ancient times, have long been an enchanting place. A couple of days ago, this reporter saw a video documentary on a mission carried out by a Chinese survey team to build an observation station in the Nanshas. The television documentary showed the charming scenery of the Nanshas, the rich resources in the sea around the archipelagos, and members of the survey team overcoming various hardships and difficulties during their mission.

A Long Journey to the Nanshas [subhead]

This reporter had a bird's-eye view of the archipelagos on the television screen: Dark brown coral reefs, in different forms, emerged from the water surface like many pearls spreading in the blue sea; coral and plankton were faintly visible in the undulating sea, making the water dazzlingly colorful. An oceanic survey ship flying a five-starred red flag was seen anchored at a coral reef.

According to the video documentary, the Nansha Archipelagos are situated at 109 degrees 30 minutes east longitude and 2 degrees north latitude, stretching from north to south at the farthest southern corner of the South China Sea. The Nanshas, the Xishas, Hainan Island, Taiwan, the Penghu Islands, and the Zhoushan Islands, stretching along the coast along a bow-shaped line, form a "Great Wall" in the sea guarding the coast of Mainland China. In the early period after the founding of the PRC, China possessed only a few small ships, which could not sail very far from the coast. Due to its limited capacity for ocean-going navigation, China's oceanic survey fleet could not reach the southern corner of its waters at that time. In recent years, China's ocean-going navigation capacity, its oceanic survey fleet's cruising radius, and its comprehensive oceanic survey technical level have increased substantially. Nowadays China enjoys an excellent reputation for oceanic science among international organizations. Since last May, China's oceanic survey fleet has made frequent visits to the Nanshas to carry out survey missions aimed at peaceful development and exploitation of the area. The principal purpose of the mission shown in the video documentary was to select a site to build an observation station in the Nanshas.

Selecting a Site To Build an Observation Station [sub-head]

The Chinese oceanic survey ship departed from Guangzhou, passed by Yongshu and Boyang, and headed for Liumen. Then, on its way home, the ship passed by Bo Jiao and Nanhua Jiao.

A dark brown coral reef rising some 2 meters above sea level and a flock of white migratory birds dwelling on the reef were shown on the television screen. The base of the coral reef, which is as large as several societields, was immersed in the water, making the sea water around the coral reef take on a bright jade color, contrasting sharply with the dark blue sea further off the reef.

According to the video documentary, China has been entrusted by the UN International Maritime Organization to build on this coral island the first oceanic observation station in the Nanshas. An airplane runway may also be built on the vast and solid coral foundation.

The documentary said the temperature on this coral reef, which is close to the equator, may exceed 40 degrees Celsius at noon, when the sun shines directly down on the reef. The surface of the reef may become too hot to touch. Therefore, one can imagine what a hardship it is for the survey team members to work there for 10 hours a day.

Countering Provocation (subhead)

This reporter also saw on the television screen scenes of the Vietnamese invasion and illegal occupation of a Chinese island. A long island was seen on the horizon. As the camera zoomed in, the military facilities built by the Vietnamese troops on the island and a Vietnamese national flag fluttering over the fortifications could be seen more and more clearly. Two Vietnamese vessels were berthed in the port at the northern end of the island, with their guns directed at Chinese fishing ships operating in the nearby waters.

The documentary said that the Chinese oceanic survey ship had faced repeated armed provocations staged by the Vietnamese authorities during its mission in the Nanshas. A Vietnamese reconnaissance vessel tracked the Chinese oceanic survey ship, conducting reconnaissance or harassment activities.

One day, when the Chinese survey team was working on a coral reef, an unidentified ship approached the reef. More than 10 people wearing green uniforms were seen alighting one after another from the ship onto the coral reef and approaching the Chinese survey team. The Chinese promptly reported the strangers' movements to a nearby Chinese naval vessel escorting the Chinese oceanic survey ship. Meanwhile, they shouted through a megaphone at the aliens landing illegally on the Chinese coral reef; telling them to evacuate the island or to accept the consequences. Seeing that the Chinese were ready to fight, the intruders finally left the island.

A Vast Fishing Ground [subhead]

After that, the camera panned to the immense sea around the Nanshas. It was about sunset. Many fishing boats were sailing in the sea. Some flying fish that jumped out of the water were painted gold by the evening glow. According to the video documentary, the Nansha fishing grounds occupy an area of nearly 10,000 square nautical miles. Fishermen from Hainan Island, who come with the northeast monsoon in winter and

return home with the southwest monsoon, have been fishing there for generations. The documentary also showed some anchors, bronze ware, and fishing tools dating from ancient China that members of the Chinese survey team had picked up from the bottom of the sea.

The Nansha archipelagos have always been a part of China's territory. As China is now getting stronger and stronger, it is firmly believed that all the islands in Nansha currently occupied illegally by Vietnam will be recovered by China one day, and that the day when China can exploit the rich resources of these beautiful waters is not far off.

Singapore Expels U.S. Diplomat; Protests Conduct OW0705173988 Beijing XINHUA in English 1607 GMT 7 May 88

[Text] Singapore, May 7 (XINHUA)—The Singapore Government today lodged a protest with the U.S. Government against an American diplomat's "violation of universal standards of proper diplomatic conduct."

A statement issued this evening by the Ministry of Home Affairs said that E. Mason Hendrickson, the first secretary (political) in the U.S. Embassy in Singapore, had urged some Singaporeans to contest in the coming elections against the Singapore Government, and had involved himself in Singapore's domestic politics.

The statement said Hendrickson has met Patrick Seong, a local lawyer, several times since May 1987. He had "explicitly asked Patrick Seong to bring along other Singaporeans opposed to the government."

Patrick Seong, 34, a member of the Law Society Council, was arrested on April 19 by the Home Affairs Ministry under the Internal Security Act.

The statement said the government knows that Patrick Seong is not the only one to have been approached by Hendrickson.

It said riendrickson also introduced two State Department officials of the U.S. to several Singaporean lawyers known to be critical of the government.

"On another occasion, when one of Hendrickson's contacts told him that the opposition would need substantial finance in order to contest all seats in the coming general elections, Hendrickson responded that surely money should not be a problem," it said.

"Hendrickson was clearly not just collecting information on Singapore politics. He was trying to manipulate and instigate Singaporeans, in order to bring about a particular political outcome," the statement said.

It said that the Singapore Government has formally protested to the U.S. Government at the activities of Hendrickson and the apparent approval of these activities by the two State Department officials, whose names had been provided to the U.S. Government but withheld from this statement in order not to further embarrass the U.S.

The statement said Singapore has requested the U.S. Government to call back Hendrickson and put a stop to all such activities.

The statement, however, said that Singapore "values the friendly and cordial ties it enjoys with the U.S. It wants to maintain and build upon that long-term relationship."

"The Singapore Government believes that the U.S. also values its relationship with Singapore. It therefore hoper that Hendrickson's improprieties are not in any wzy supported or condoned by the U.S. Government," it added.

Singapore Explains Expelsion OW0805092788 Beijing XINHUA in English 0816 GMT 8 May 88

[Text] Singapore, May 8 (XINHUA)—The Singapore Government today said that it "does not capriciously or arbitrarily expel diplomats from Singapore, especially when the diplomat in question represents a friendly nation."

In a statement earlier this morning, the government said when it requests the removal of a diplomat who has transgressed against the universal norms of proper diplomatic conduct, it gives its reasons.

The statement was issued in reply to a statement last night by the spokesman for the U.S. Embassy in Singapore on the activities of the embassy's First Secretary (political) Mason Hendrickson.

The Singapore Government yesterday protested to the U.S. over the behavior of Hendrickson whom it accused of involvement in Singapore domestic politics.

It said that Hendrickson had met several Singaporean lawyers knewn to be critical of the government and urged them to contest the coming elections against the government. "He was trying to manipulate and instigate Singaporeans in order to bring about a particular political outcome." it added.

It asked the U.S. Government to withdraw Hendrickson and reprimand him and two U.S. State Department officials who had apparently approved Hendrickson's activities.

The spokes man for the U.S. Embassy said last night that the U.S. Government will withdraw Hendrickson as requested by the Singapore Government, but maintained that Hendrickson did not act improperly.

Hendrickson's activities "were entirely in keeping with normal diplomatic practice and his responsibilities as an officer of the Foreign Service of the U.S.," the spokesman said.

In today's statement, the Singapore Government described this response defending Hendrickson as a "diplomatic fig leaf".

"That being the case, the assertion that Hendrickson has not in any way acted improperly can only be a diplomatic fig leaf which the government is content to allow the U.S. to wear," the statement said.

It said that the Singapore Government would prove any facts disputed, however discomforting that exercise may be.

Deputy Premier on Expulsion OW 0805 104088 Beijing XINHUA in English 1005 GMT 8 May 88

[Text] Singapore, May 8 (XINHUA)—Singapore First Deputy Prime Minister Goh Chok Tong today said that he believes there could be two reasons why an American diplomat interfered in Singapore's domestic politics, the local TV station reported today.

He said though Singapore was vulnerable it was important strategically. Whoever controlled a sizeable number of the Parliament members would be able to affect the country's policies.

Yesterday, the Singapore Government protested to the U.S. Government over the behavior of E. Mason Hendrickson, the first secretary (political) in the U.S. Embassy in Singapore.

The government accused Hendrickson of involvement in Singapore domestic politics and asked the U.S. Government to withdraw him.

Goh said for their own national interests, the American official might have set out to cultivate a group of men to take over if by chance the People's Action Party (the ruling party) weakened.

He made these comments at a meeting with his community leaders.

The other possible reason for the activities against the Singapore government, Goh said, was an attempt to change Singapore to reflect the American system of democracy.

Later he told the local reporters that unless the U.S. disputed the facts, there was no need for further exchanges between the two countries. But, "this did not mean our anger should stop," he said.

West Europe

Ministry Spokesman Denies UK Report on Tibet HK0905072988 Hong Kong AFP in English 0727 GMT 9 May 88

[Text] Beijing. May 9 (AFP)—China Monday denied British press reports that 50 Tibetans were killed by police during a pro-independence riot in Lhasa in March and reaffirmed the toll in the violence as five dead and more than 300 injured.

Britain's OBSERVER newspaper said Sunday that Chinese police killed 30 Tibetan monks in an assault on the Jokhang Temple, Tibetan Buddhism's holiest shrine, to break up a nationalist protest during the March 5 riot.

Twenty other Tibetans were killed while protesting the massacre, the newspaper said quoting a correspondent recently in the Tibetan capital.

"These events did not take place. They do not exist," a spokesman for the Foreign Affairs Office in Lhasa told AGENCE FRANCE-PRESSE by telephone.

He reaffirmed the official Chinese toll in the violence, which took place on the last day of an annual Tibetan religious festival, of five dead and more than 300 wounded.

Witnesses had part the number of dead at between eight and 15, most of them Tibetan monks.

A previous riot on October 1 left between six and 13 dead, witnesses said.

The second highest Tibetan religious leader, the Panchen Lama, Sunday renewed an appeal for unity between Tibetan and Han Chinese.

Speaking at the 12th Congress of the Chinese Communist Youth League, he said that for historical reasons Tibet was still backward and Tibetan youth would have to work hard to speed up development.

The Panchen Lama, who supports Beijing and is against Tibetan independence, said education was a top priority and Tibets had to learn new technologies from other Chinese nationalities, the NEW CHINA NEWS AGENCY reported.

China invaded Tibet in 1950, later annexing it as an autonomous region.

The top Tibetan spiritual leader, the Dalai Lama, who fled into exile in India during an anti-Chinese uprising in 1959, recently tempered his calls for full Tibetan independence, hinting at a possible compromise on the issue.

China has repeatedly rejected any kind of independence for the region.

Irish President Patrick Hillary Visits

Paper Previews Visit

HK0705045888 Beijing CHINA DAILY in English 7 May 88 p 2

[by staff reporters Qi Hongming and Yan Ling]

[Text] Trade and economic co-operation between China and Ireland, though rather limited at present, is poised for large-scale development with frequent top-level contacts between the two countries.

Tomorrow, Irish President Patrick Hillery arrives in Beijing for a one-week visit—the first Irish head of state ever to visit China.

His trip was preceded by the largest-ever trade mission to China last month led by Albert Reynolds, Ireland's Minister of Industry and Commerce.

Such constant contact between the two sides will no doubt push bilateral economic relations and technical co-operation to a new level and further mutual understanding, Yang Danhua, deputy director of the Ministry of Foreign Economic Relations and Trade, told CHINA DAILY yesterday.

In the first quarter of this year, bilateral trade hit \$7.17 million, more than 100 per cent up on the same period last year. China's exports to Ireland totalled \$2.34 million while imports reached \$4.83 million, according to China's customs statistics.

But bilateral trade and economic co-operation is still limited to buying and selling at the moment and both sides want to extend it, Yang said.

Though no details are yet available, serious negotiations already are under way between the two sides for possible equity joint ventures and co-operative undertakings, involving the electronics and chemical industries and animal husbandry.

A ministry official in charge of Sino-Ireland trade said China considers Ireland's chemical and electronics technology quite advanced and it intends to initiate further technical co-operation in these fields.

The Irish technology which interests China involves electronic instruments for offshore oil drilling, household electrical appliances and telephone systems.

The two sides are also discussing the possibility of co-operation in aviation, raw material processing, biochemistry and dress-making.

Yang said China hopes technical co-operation with Ireland can be expanded on a large scale.

Since the establishment of diplomatic relations between China and Ireland in 1979, trade and economic cooperation has enjoyed a better than-expected rate of growth, especially in the last three years.

According to customs figures, Sino-Ireland trade in 1987 climbed to nearly \$20 million, up 10 per cent over 1986. China is satisfied with its long-term co-operation with Ireland and is confident it can tap the latent potential of economic co-operation between the two sides, Yang said.

China's exports to Ireland mainly involves textiles and native produce and animal by-products while its imports cover electronics equipment, wool, diamond, leather, fertilizers and milk powder.

Last month's visit by the Irish Minister of Industry and Commerce included visits to Beijing, Shanghai and Guangdong Province with 18 Irish entrepreneurs.

"We agreed that though trade volume between the two countries is small, there exists great potential of economic co-operation, which is yet untapped," Yang said.

"Both sides have shown great interest in promoting bilateral economic relations and are eager to invest more effort to increase the bilateral trade," he said.

Hillary Arrives in Beijing OW0805213288 Beijing XINHUA in English 1414 GMT 8 May 88

[Text] Beijing, May 8 (XINHUA)—Patrick John Hillery, president of Ireland, and his wife arrived here tonight for a week-long state visit to China.

At the invitation of Chinese President Yang Shangkun, Hillery is the first Irish president to visit China since the two countries established diplomatic relations in 1979.

The Irish president and his wife were accompanied by their son Dr. John Hillery and Sean Calleary, minister of state for foreign affairs.

Qin Zhongda, chairman of the Chinese Government Reception Committee and minister of chemical industry, and Zhou Nan, vice foreign minister, greeted the Irish guests at the airport. XINHUA Profiles Hillery OW0805115088 Beijing XINHUA in English 1015 GMT 7 May 88

["Profile: Irish President Patrick J. Hillery"—XINHUA headline]

[Text] Beijing, May 7 (XINHUA)—At the invitation of Chinese President Yang Shangkun, Irish President Patrick J.Hillery will pay a state visit to China beginning tomorrow through May 15.

Born May 2, 1923, in Miltown-Malbay in County Clare, Hillery studied at Rockwell College and received his medical degree from Dublin University. He was elected to Ireland's House of Representatives in 1951, and was a member of the State Health Council from 1955 to 1957.

From 1957 to 1959, he was medical officer of Miltown Malbay, and from 1959 to 1965, minister for education. In 1965, he was transferred to the Ministry of Industry and Commerce, and he held that portfolio until 1966.

From 1966 to 1969, he was minister for labor; from 1969 to 1972, minister for foreign affairs; and from 1973 to 1976, vice-president of the Commission of European Communities with special responsibility for social affairs. He was elected president of Ireland on December 3, 1976, and reelected in 1983.

In 1955, he married Mary Beatrice Finnegan. They have a son and a daughter.

Patrick J. Hillery is the first Irish president to visit China since the two nations established diplomatic relations in 1979.

Meets With Yang Shangkun OW0905131588 Beijing XINHUA in English 1226 GMT 9 May 88

[Text] Beijing, May 9 (XINHUA)—"China hopes to develop friendly, cooperative relations with all the world's countries," said China's President Yang Shangkun during today's meeting with visiting Irish President Patrick John Hillery.

"Relations between China and Ireland have developed well and there is no conflict of interest," Yang said, adding China hopes to cooperate with Ireland in all fields.

Yang welcomed the Irish President to China on behalf of the Chinese Government and people, mentioning Hillery is the first Irish leader to visit China, and his visit is an important step in developing Sino-Irish relations.

"Long-term effort and hard work are necessary for China to catch up with the world's advanced countries," Yang said, "and in realizing this goal China has to avoid making mistakes." "Ireland is following China's economic development with interest," Hillery said, adding what he has heard from China since he took office has been peace and friendship.

"Ireland is willing to cooperate with China in maintaining world peace as well as achieving economic development," Hillery said, "and Ireland believes China's role is very important in safeguarding world peace."

Hillery said he appreciates China's efforts in economic development and in promoting Ireland-China relations, and also hopes cultural, economic and trade exchange between the two countries will become more active.

"With one-fifth of the world's population, China has a great potential for economic development," Hillery added, wishing China smooth development in all fields.

President Yang said, in order to build China successfully, the Chinese need time and an environment which is stable and peaceful for a long time.

Although the Soviet Union and the United States are engaged in an arms race which poses some threat to world peace, Yang said, a new world war is not expected.

"The overall trend is that the forces of peace are now stronger than the threat of war," Yang stressed, adding China's development includes strengthening of the forces of peace, and China also hopes Europe, including Ireland, will also strengthen the forces of peace.

Liao Hansheng, vice-chairman of the Standing Committee of China's National People's Congress and Qin Zhongda, chairman of the Chinese Government Reception Committee and minister of the chemical industry also attended today's meeting.

Before the meeting, a welcoming ceremony was held in front of the Great Hall of the People in Honor of President and Mrs. Hillery and their party.

This morning, President Hillery placed a wreath at the monument to the people's heroes.

Yao Yilin Meets Netherlands Trade Minister OW0605122588 Beijing XINHUA in English 1413 GMT 6 May 88

[text] Beijing, May 5 (XINHUA)—Chinese Vice Premier Yao Yilin met with Ms. Yvonne van Rooy, Dutch minister of foreign trade, and her party here this afternoon.

"China and the Netherlands enjoyed very good political and economic relations," Yao said, adding that there have broad prospects for the development of bilateral trade. China may learn from the Netherlands' advanced technology in processing farm produce, he added.

Van Rooy said the purpose of her China visit is to further develop the existing good relations between the two countries.

She said that China exported more to the Netherlands last year than the preceding years and the bilateral trade developed very fast.

She expressed the hope that the Netherlands will also export more to China and contribute to China's construction.

Minister on Economic Ties OW0705142188 Beijing XINHUA in English 1101 GMT 6 May 88

[Text] Beijing, May 6 (XINHUA)—Ms. Yvonne van Rooy, Dutch minister of foreign trade [title as received] expressed optimism here this afternoon about the further development of Sino-Dutch economic relations and trade.

At a press conference, she said she had three impressions concerning her current visit: the Chinese side "vere sincerely" gave her "frank and open information" about China's actual economic situation; the Chinese leadership is determined to continue the policies of economic reform; and efforts have been made to make easier the activities of foreign business people in China.

All these, she added, would help promote Sino-Dutch economic cooperation and trade.

The Dutch minister told the correspondents that there are only ten Sino-Dutch joint ventures in China and the Dutch Government would encourage Dutch private companies to invest or increase their investments in China by providing them with information and organizing seminars.

Ms. van Rooy and her party left here for a tour of southern China later today.

Netherlands To Increase Exports HK0705040888 Beijing CHINA DAILY in Fuglish 7 May 88 P 2

[by staff reporter Zhang Yuan]

[Text] The Netherlands will increase its export to China this year, Yvonne van Rody, Minister of Foreign Trade, said at a press conference yesterday in Beijing.

Rooy said Zheng Tuobin, Minister of Foreign Economic Relations and Trade of China, has the, same confidence that Dutch exports to China will increase this year. In 1987 the trade volume between the two countries reached \$580 million, an increase of 66 percent over 1984. However, Dutch exports to China dropped by 28 percent while China's exports increased by 25 percent last year.

One of the reasons was that China imported less chemical fertilizer from the Netherlands last year. So there was a trade deficit. And one of the purposes of her official visit to China is to solve the problem, according to Rooy.

As one of the measures, the Netherlands will increase its exports of chemical products, machinery and agricultural equipment to China this year, Rooy said.

Rooy said the Sino-Dutch joint ventures number only 10, but the co-operative quality is encouraging and satisfactory.

The Philips Company of the Netherlands, for example, has two new high-tech joint ventures with Chinese counterparts now. One is in Nanjing, for producing colour television tubes, and the other is in Wuhan, for making light fibres.

During her visit in Beijing, a textile contact was signed, and a medicine contract between the two countries is expected to be signed soon, she said. The Netherlands has the largest port-Rotterdam—in the world and this gives the nation an advantageous position in West Europe. Rooy said her nation will help China to enter the Western European market.

The Netherlands has advanced technology and rich experience in electronics, telecommunications, transport, port construction, energy, food processing and agriculture. These are things China needs and thus the co-operation between the two countries will be very bright, Zheng Tuobin said.

Austrian Prime Minister Meets Rong Yiren OW0705083788 Beijing XINHUA in English 0214 GMT 7 May 88

[Text] Vienna, May 6 (XINHUA)—Austrian Federal Chancellor Franz Vranitzky said here today that his country is willing to cooperate with China in the development of small and medium-sized enterprises.

Vranitzky, who met with Rong Yiren, president of China International Trust and Investment Corporation (CITIC), said Austria attached importance to the development of China's open policy and the nation's political and economic reforms. The two countries have enjoyed good cooperation between their small and medium-sized business and banks.

He said he believed there are vast prospects for further cooperation betweem them in the fields of economy and science and technology. Rong Yiren said the principal aim of his corporation is to develop economic ties with foreign companies and banks. He said that in the few days he has been in Austria, businessmen here have shown great interest in improving relations with China.

Attending the meeting was Chinese Ambassador Yang Chengxu.

Earlier today, Rong and his party held talks with Marga Hubinec, vice president of the National Council, and Robert Graf, federal minister of economy.

Rong arrived here on Sunday for a week-long visit at the invitation of the Federal Economic Chamber. He has been touring several enterprises and talking with Austrian businessmen, bankers and politicians.

He is due to leave Austria for Britain on Saturday.

Rong Yiren, NPC Delegation Begin Visit to UK OW0805211388 Beijing XINHUA in English 1540 GMT 8 May 88

[Text] London, May 8 (XINHUA)—A Chinese parliamentary delegation arrived here today on an eight-day friendly visit to Britain at the invitation of the British Parliament.

The delegation is led by Rong Yiren, vice chairman of the Standing Committee of the National People's Congress (NPC) OF China.

In a written statement issued at the airport upon arrival, Rong Yiren said that bilateral relations between China and Britain had entered into a new historial period in recent years.

"The purpose of our current visit is to deepen mutual understanding, develop friendship, strengthen cooperation and promote further development of the friendly relations and cooperation between our two countries," he said.

During the visit, Rong will meet British Prime Minister Margaret Thatcher, Lord Chancellor Lord Mackay, the speaker of the House of Commons Bernard Weatherill, Foreign Secretary Sir Geoffrey Howe and Trade and Industry Secretary Lord Young.

The NPC delegation will visit the Parliament and meet their British parliamentarian collegues for discussion.

On Thursday, Rong will address a gathering of leading British businessmen and answer their questions.

CPC's Zhang Jingfu Meets Belgian Visitors OW0905130488 Beijing XINHUA in English 1141 GMT 9 May 88

[Text] Beijing, May 9 (XINHUA)—Zhang Jingfu, Standing Committee member of the Advisory Commission of the Chinese Communist Party Central Committee, met with Van Dyck, chairman of the Bell Telephone Manufacture Company of Belgium, and his party here this afternoon.

Dyck has come here to discuss matters related to the technology transfer by the Shanghai Bell Telephone Manufacture Company jointly run by China and Belgium with leading members of China's Ministry of Posts and Telecommunications and the Shanghai Municipal Government.

Zheng Tuobin Meets Danish Cooperation Envoy OW0905094788 Beijing XINHUA in English 0807 GMT 9 May 88

[Text] Beijing, May 9 (XINHUA)—Zheng Tuobin, Chinese minister of foreign economic relations and trade met here this morning with Arne Christiansen, chairman of the Danish side in the Sino-Danish Joint Committee for Economic and Technological Cooperation.

Christiansen is here to attend the committee's annual meeting.

Latin America & Caribbean

Vice Premier Tian Jivun Continues Mexican Visit

Visits Cuernavaca

OW0605131488 Beijing XINHUA in English 1026 GMT 6 May 88

[Text] Mexico City, May 5 (XINHUA)—Chinese Vice Premier Tian Jiyun's arrival today in Cuernavaca was an event in this capital of the Mexican state of Morelos, with a ceremonial greeting by Governor Lauro Ortega Martinez and the declaration of Tian as the state's guest of honor.

Upon arrival, Tian laid flowers on the monument to the Mexican national hero Jose Maria Morelos to pay his tribute.

Speaking at the lunch in honor of Tian, Lauro Ortega said that Mexico and China have much in common and the people of Morelos have been making great efforts to develop political, cultural, economic and cultural [as received] relations with China.

Tian, who also saw the similarity between the two countries, noted that the two nations both have their advantages as well as weak points and can complement each other to form favorable conditions for the development of bilateral relations.

Tian visited Cuernavaca's flower center, one of Mexico's most important bases of the flower export industry.

Tonight in the Chinese Embassy in Mexico, Tian met the embassy's personnel, Chinese journalists, representatives of other Chinese entities in the country and Chinese students who study in Mexico city.

Tian and his entourage will travel tomorrow morning to Monterrey for a two-day visit to the Mexican state of Nuevo Leon.

Visits Nuevo Leon

OW0705114288 Beijing XINHUA in English 0804 GMT 7 May 88

[Text] Monterrey, Mexico, May 6 (XINHUA)—The visiting Chinese vice premier, Tian Jiyun, arrived here this morning on a special presidential plane from Mexico City for a two-day visit to the state of Nuevo Leon.

The Chinese vice premier and his entourage were greeted at the airport by the state governor, Jorge Trevino Martinez, and other high ranking officials of the state government.

At midday, the general secretary of the Nuevo Leon state government, Natividad Gonzalez, in the name of Governor Trevino Martinez, offered a lunch in honor of Vice Premier Tian and his entourage.

Tian today visited the industrial park "Mextron," an industrial plant which assembles computers, and "Motorem," a company which produces and repairs motor parts. The main objective of these two companies is to produce items for export, taking advantage of the cheap labor available in Mexico.

Later, Tian visited the installations of "Protexa Industrias," an industrial consortium with investments in many areas, including fishing, construction, maritime well perforation and tourism, with a total of 13,000 employees. The vice premier had a friendly conversation with the leaders of this company to explore the possibilities of widening economic and commercial relations between China and Mexico, and in particular with this consortium.

Monterrey, capital of the state of Nuevo Leon, and third largest Mexican city, has a solid industrial base, and is an important area for the number of in-bond assembly plants located here. According to official information, in Mexico there are more than 1,100 in-bond plants with more than 300,000 workers and an annual production worth more than 1.4 billion dollars.

According to the vice premier, China, which is carrying out reform and opening to the outside world, plans to renovate its production plant, encourage export oriented industries, and revitalize the general economic structure to reach a better standard of living for the society. This

visit to Monterrey aims to learn from Mexican experiences with the in-bond industry, through direct physical knowledge of how these companies operate.

Leaves for U.S., Canada

OW0905115588 Beijing XINHÚA Domestic Service in Chinese 0623 GMT 9 May 88

[by Reporter Wu Huizhong]

[Text] Monterrey, Mexico, 8 May (XINHUA)—Vice Premier Tian Jiyun and entourage left here this morning by plane for Houston to continue their visit to the United States and Canada after ending a week-long official friendly visit to Mexico.

Last evening, upon concluding his official activities in Mexico, Vice Premier Tian told Chinese reporters accompanying him on the visit that through the visit, his first to a Latin American country, he was personally impressed by the profound feelings the Mexican Government and people had for the Chinese Government and people. At the same time, he also felt that the prospects were bright for future economic and trade cooperation between China and Mexico, and between China and other Latin American countries. However, efforts should be made to explore new approaches and methods to promote and implement this cooperation such as by investment in joint ventures, or by barter or compensation trade.

While in the capital city of Mexico, Vice Premier Tian was received by Mexican President Miguel de la Madrid. He also met with Mexico's secretary of foreign relations, secretary of finance and public credit, secretary of programing, and the budget and director general of the National Foreign Trade Bank. Besides Mexico City, Vice Premier Tian also visited Cuernavaca, capital of the State of Cuernavaca, and Monterrey, capital of the State of Nuevo Leon. Here in Monterrey, the third largest city of Mexico, he toured export enterprises which process imported raw materials.

Honduran Congressional Delegation Visits

NPC Standing Committee Banquet OW0605164988 Beijing XINHUA in English 1432 GMT 6 May 88

[Text] Beijing, May 6 (XINHUA)—A delegation from the National Congress of Honduras headed by Vice President Jose Antonio Fernandez Guzman was honored at a banquet given by the Standing Committee of China's National People's Congress (NPC) here this evening.

Speaking at the banquet, Xi Zhongxun, vice chairman of the NPC Standing Committee, said that China wishes to develop friendly cooperation with Honduras since both are developing countries and have no conflict of fundamental interests between them. He also said that China appreciates and supports the efforts of the governments and peoples of the five Central American countries for regional peace.

In reply, Fernandez said that his delegation has come to learn about the Chinese people and China's achievements in economic construction. It also wishes to build friendly contacts with China and open up channels for personnel contacts and ideological exchanges with China.

The delegation arrived here yesterday evening at the invitation of the NPC Standing Committee. Xi held talks with the delegation here this afternoon.

Meet With Wan Li, Chen Xitong OW0705140888 Beijing XINHUA in English 1104 GMT 7 May 88

[Text] Beijing, May 7 (XINHUA)—Wan Li, chairman of the National People's Congress (NPC) Standing Committee, met here today a Honduran parliamentary delegation, the first official group from that Central American country to visit China.

Wan told the delegation he hoped for more exchanges although the two countries have not yet established diplomatic relations.

The delegation, headed by the parliament Vice-President Jose Antonio Fernandez Guzman, arrived Thursday as guests of the NPC Standing Committee.

Wan urged the visitors to see as much as they could in China so as to promote mutual understanding.

"Your visit will have a far-reaching impact on Sino-Honduran relations," he said.

Wan said China wants to have more friendly ties and economic exchanges with Honduras and other Third World countries and invited Honduran Parliament President Carlos Orbin Montoya to visit the country.

Fernandez said that the presence of his delegation marks a beginning of ideological and political exchanges. He believed that the visit will help bring the two parliaments closer.

He said Honduran businessmen hope to trade with

Present during the hour-long meeting was NPC Vice-Chairman Xi Zhongxun.

The delegation also met with Chen Xitong, mayor of Beijing Municipality later today.

Meet With Yang Shangkun OW0905105788 Beijing XINHUA in English 0951 GMT 9 MAY 88

[Text] Beijing, May 9 (XINHUA)—Chinese President Yang Shangkun told a visiting Honduran parliamentary delegation here today that relations Between China and the Latin American countries will further expand.

In this connection, he extended "a warm welcome" to the visitors who have come as the first official delegation from Honduras.

He held that there should be more contacts between parliamentarians of the two countries as well as more economic, trade and cultural exchanges in spite of the fact that diplomatic relations have not yet been normalized.

He believed that the delegation's two-week visit in China would be useful in pushing Sino-Honduran relations "a step forward."

In reply, delegation leader, Jose Antonio Fernandez Guzman, vice-president of the Honduran parliament, said that the Chinese people's warmth, and their resolve to overcome all difficulties in developing their country, have left his collleagues with a deep impression, although they have been in Beijing for only four days.

He believed that after the visit, "a bridge" will have been put in place between China and Honduras.

Discussing China's affairs, Yang Shangkun told the visitors that to build China into a strong and rich country, the Chinese leadership must make efforts to avoid big mistakes in political and economic work and try to ensure steady development.

In addition, he said, "We place great stock in cooperating with friends from all countries, big or small, developed or developing."

The Chinese leaders believe that it is very difficult, if not impossible, for a country to attain development without international cooperation, yang said.

"Here lies the basis for the formulation of our policy of opening to the outside world," he explained.

The delegation is scheduled to leave Beijing later today on a tour of Eastern and Southern China.

Magazine Says Li Peng Report Opposes Party Line HK0905134088 Hong Kong CHENG MING in Chinese No 127, 1 May 88 pp 28-31

[Article by Li Yu (2621 3768): "Li Peng Is Suspected of Opposing the Party — A Comment on the Government Work Report Delivered at the Seventh NPC Session"]

[Text] This may at first glance sound like alarmist talk. How can Li Peng oppose the party since he is the son of a revolutionary and a new leader at the top level?

Many critics in Hong Kong have been deceived by the grave problems and the empty slogans of "accelerating reform" and "deepening reform" pointed out in Li Peng's Government Work Report. Hence, they have reached the following conclusion: The struggle between Zhao Ziyang and Li Peng is "what means should be adopted" rather than one between a reformer and a conservative—Zhao Ziyang maintained radicalism, while Li Peng insisted on making progress steadily. Indeed, the Chinese people have suffered from "radicalism." According to this statement, it seems that Zhao Ziyang is wrong and that Li Peng, who belongs to the Chen Yun faction, has been correct since Mao Zedong was in power. To this end, a columnist hailed that the cooperation between the radicals and the moderates will lead to the rationalization of the party's principles and policies and will promote the development of democracy. Mr Ho Wen-yi, an author of a certain magazine who has always been fastidious about the CPC's political and economic situation, also said that Li Peng's report "reflected a moderate policy." Other critics believed that Li Peng's report was "practical and enterprising." An editorial of a big newspaper said that Li Peng's report "manifested the spirit of seeking truth from facts" and believed that Li Peng was "commendable" for not mentioning "Marxism, Leninism, and Mao Zedong Thought," "proletarian dictatorship," and "the people'sh democratic dictatorship." Some cautious writers compared Zhao Ziyang's reports to the 13th Party Congress and the 2d Plenary Session of the 13th CPC Central Committee with Li Peng's Government Work Report and Yao Yilin's report line by line and drew the conclusion that one was radical and the other moderate. In short, the writers who criticized Li Peng in the past have acted out of character by affirming Li Peng and negating Zhao Ziyang instead. Once Zhao Ziyang is labeled a "radical," it would be a negation of Zhao. A "radical" refers to a petty bourgeois fanatic. These writers probably have not negated Zhao Ziyang intentionally because the nature of radicalism varies. For example, Mao Zedong's "radicalism" is different from that of Zhao Ziyang. Mao tended leftward, while Zhao has tended rightward. If this is the case, does it not mean that Zhao should be blamed for being a radical taking the "capitalist road?"

I do not agree with those who blame Zhao Ziyang for being a "radical." Zhao Ziyang is actually more practical and realistic than Chen Yun and Li Peng. For example, the concept of the "initial stage of socialism" put forward by Zhao Ziyang, though there is still a lack of theory to support the concept as I pointed out in an article (see "On Zhao Ziyang's Report to the 13th Party Congress" published in CHENG MING, No 12, 1987), the "initial stage of socialism" is the most realistic term for the socialism built in China over the past 30 odd years. Zhao Ziyang's coastal development strategy is a realistic manifestation conforming with China's actual conditions. It is also realistic that Zhao Ziyang has won nationwide popular support.

Li Peng's Anti-Party Manifestations [subhead]

I will make an analysis from the following five view points:

First, China's current political structure.

China is now carrying out a political structural reform characterized by "separating the functions of the party from the government." However, separation of the functions of the party from the government does not mean that the party and the government are on equal footing or that the government is free from party leadership. Conversely, the purpose of the political structural reform is to strengthen and perfect party leadership.

Undoubtedly, the central government's State Council is still under the leadership of the CPC. Specifically speaking, it is under the leadership of the CPC Central Committee, or the party's line, principles, and policies.

Second, the functions of the party and the government after the separation.

Following the separation of the functions of the party from the government, the party will lay stress on political leadership and formulate major principles and policies for the whole party, rather than undertake administrative affairs. The State Council is an executive organ or the country's supreme administrative organ. Authorized by the NPC, the State Council can also formulate certain policies and regulations. The NPC is also under the party leadership. Fundamentally speaking, the State Council is an organ that executes the party's principles and policies.

Third, the NPC is under the control of the CPC National Congress.

According to the CPC's usual practice, a CPC National Congress is held first to lay down the party's major principles, policies, and tasks. Then, an NPC session is held to implement the spirit of the party congress. The State Council government work report gives an account of the achievements and shortcomings or mistakes over the past 5 years to the NPC delegates and sets forth the tasks for the next 5 years.

Fourth, the principles and tasks put forward by the the 13th Party Congress.

Apart from the famous theory of the "initial stage of socialism" put forward by the 13th Party Congress, there were six guiding principles of far-reaching significance, of which the fourth one was: "So far as ownership and distribution are concerned, absolute perfection and egalitarianism are not what is required in a socialist society. In the initial stage, it is particularly important to develop diverse sectors of the economy, provided that public ownership remains dominant; to have diverse forms of distribution, provided that distribution according to work is the principal form; and, with the objective of common prosperity in mind, to encourage some people to become well-off first through honest work and lawful business operations."

Regarding the economic development strategy, the report to the 13th Party Congress set forth six major tasks, of which the fifth one was: "Public ownership should remain predominant in the initial stage of socialist society. However, other sectors of the economy that are not owned by the whole people are far from adequately developed. Cooperative, individual, and private sectors of the economy in both urban and rural areas should all be encouraged to expand. The public sector of the economy itself takes many forms. In addition to enterprises owned by the whole people and by collectives, new publicly owned enterprises should be set up jointly through the efforts of units owned by the whole people and those owned by collectives. It is also necessary to set up publicly owned enterprises with shares pooled by different localities, departments, and enterprises, as well as by other means. In different economic fields and different localities, the proportions of the different types of ownership should be allowed to vary.

"The private sector of the economy is a sector that involves wage labor. But in socialist society, the private sector is linked to the public sector, which remains predominant and strongly influences it. Practice has proved that a certain degree of development of the private sector promotes production, stimulates the market, provides employment, and helps in many ways to meet people's needs. Thus, the private sector is a necessary and useful supplement to the public sector. We must formulate policies and enact laws governing the private sector as soon as possible, in order to protect its legitimate interests and to provide it with more effective guidance, supervision, and control."

And the sixth task is: "The forms of distribution in the initial stage of socialism should not be of one kind only. We must adhere to the principle that distribution according to work remains predominant while other forms of distribution are supplementary. In addition to the main form of distribution according to work and earnings from individual labor, there may be the following: When enterprises issue bonds to raise funds, buyers receive interest; when shares are issued, shareholders

receive income in the form of dividends; enterprise managers receive additional income to compensate for risk-taking; owners of private enterprises employing a certain number of workers receive some unearned income. Income oi these types should be allowed, so long as it is acquired legally."

Zhao Ziyang's report to the 13th Party Congress, which was adopted by the CPC National Congress, is the party's valid document. It constitutes the party's principles and policies as well as the party's tasks for the next 5 years.

Fifth, Li Peng substitutes the fake for the genuine.

Li Peng's Government Work Report regarded the development of the "private sector of the economy," one of the principles and tasks set forth by the 13th Party Congress, as "a basic summary of domestic work in the past 5 years," saying that "while vigorously strengthen-ing the economy owned by the entire people as well as the collective and cooperative economies in town and country, we also encouraged the development of individual and private economies, as well as of joint ventures, cooperative ventures, and wholly foreign-owned enterprises. Thus we are gradually establishing a system of ownership comprising diverse components and forms, with public ownership remaining predominant." How-ever, he never mentioned a single word of this in the principles and tasks for the next 5 years. There were 10 principles and tasks for the next 5 years: "Step up agricultural production and substantially strengthen basic industries and infrastructure"; "accelerate the development and reform of science, technology, and education"; "carry out comprehensive supplementary reforms to deepen the reform of enterprises"; 'implement a strategy of economic development for the coastal regions"; "carry out a genuine reform of the structure of government organizations"; "further strengthen socialist democracy and the socialist legal system"; "vigorously carry out the building of socialist spiritual civilization"; "earnestly practice family planning"; "raise the incomes of urban and rural people"; and "strengthen the building of national defense."

How should Li Peng, head of state to execute the party's principles and policies, implement the task put forward by Zhao Ziyang in his report to the 13th Party Congress that "other sectors of the economy that are not owned by the whole people are far from adequately developed; cooperative, individual, and private sectors in both urban and rural areas should all be encouraged to expand"? He never mentioned a single word on this issue nor did he recognize the rationality of some "unearned income." He simply put the future tasks set forth by Zhao Ziyang and the whole party in his summary of work in the past 5 years as if these should not develop any more. In the economic tasks for the next 5 years, Li

Peng only mentioned "contracted operation of enterprises" and "supplementary reforms," substituting the fake for the genuine. Consequently, Li Peng has resisted the tasks of the 13th Party Congress.

The Reason for Opposing the Party [subhead]

Naturally, Li Peng will not admit his opposition to the party or resistance against the 13th Party Congress. As Marx said: "We cannot judge a man by his own views." The "anti-party elements," or "anti-party clique," defined by the CPC in the past, except those labeled "anti-party and anti-socialist rightists" during the anti-rightist movement in 1957 for holding views different from the party secretaries, were all involved in opposing the party's principles and policies.

Li Peng took a brilliant move at this time. Instead of avoiding the terms "individual sector of the economy" and "private sector of the economy," he put them in his summary of work over the past 5 years.

Li Peng resisted the principles and tasks ahead set forth by the 13th Party Congress because of his conservative, dogmatic, and rigid thinking, regarding the "private sector of the economy" as great scourges. As a result, he casually mentioned the task of developing the individual and private sectors of the economy in his summary of work over the past 5 years. Should these continue to develop in the future? He gave no answer. Li Peng dared to act wantonly because he has strong backing.

The Purpose of Resisting the 13th Party Congress [sub-head]

Zhao Ziyang's report to the 13th Party Congress explicitly pointed out that the development of diverse economic sectors and distribution forms constitute "the party's basic line" in the initial stage of socialism. Then it was stipulated as the development strategy for the years ahead.

At the Seventh NPC session, Dong Chaocai, NPC delegate and secretary of the Wenzhou party committee, made an appeal: Many newly arising people of wealth in Wenzhou are seeking a life of luxury and dissipation. The extent of their extravagance and consumption is indeed shocking. The individual businessmen have built luxurious houses and even villas in the suburbs equipped with modern facilities, including escalators, air conditioners, telephones, video recorders, and pianos. They wear suits worth 2,700 yuan, spend 1,000 yuan on feasts, buy luxurious cars, and build grand and magnificent tombs for themselves in advance. Nevertheless, Dong Chaocai blamed the lack of attraction of the new economic operation mechanism on the individual economic sector and a lack of effective guidance in government policies rather than these wealthy people. To this end, he requested that the NPC session rapidly adopt laws to protect the private economic sector and not look at the new emerging thing with outmoded views or worry over the rise of "capitalists." It is necessary to clearly define the ownership, right of use, and right of succession of private enterprises and to establish their legal position. Only by doing so, Dong Chaocai asserted, can we vigorously develop the social economy.

Dong Chaocai made his appeal on 4 April, and Li Peng delivered his Government Work Report on 25 March. If Li Peng's Government Work Report had clearly said that individual and private economic sectors would be further encouraged in the next 5 years, Dong Chaocai would not have made such an apprehensive appeal. Now most of those who have become rich spend money extravagantly on eating and drinking. This is also the case in Guangzhou.

A government work report is a very serious thing. It is by no means accidental negligence to avoid mentioning the development of individual and private economic sectors in the principles and tasks for the next 5 years. The purpose is to intentionally create ideological confusion among invididual businessmen and private enterprises, so that they will put all the money earned in the consumption market because they are not certain of the future, thus leading to nationwide short supplies, price hikes on the daily necessities, and inflation. By doing so the conservatives can stir up discontent among the masses and ultimately put Zhao Ziyang and the reform leaders to rout.

I strongly demand that the CPC and NPC make a reappraisal of Li Peng's Government Work Report and condemn it for openly resisting the resolution of the 13th Party Congress.

Li Peng's Report Is Full of Empty Theory [subhead]

Li Peng's conservative, dogmatic, and rigid thinking is also reflected in his writing style. His government report is specious and full of empty verbiage (for example, he affirmed that we have "embarked on the road of the legal system"). I would like to enumerate some rubbish from Li Peng's government report:

—The preliminary reform of the system of unified and fixed state purchasing of agricultural and sideline products aroused the peasants' enthusiasm for developing a commodity economy.

—The reform of the scientific and technological system stimulated the initiative of scientists and technological workers.

—The reform of the education system mobilized the enthusiasm of localities, departments, and enterprises for running schools.

—Enterprises and institutions made their administration more democratic, thus stimulating the enthusiasm and creativity of their workers and office staff.

- —The building of socialist spiritual civilization aroused the enthusiasm of the masses for participating in state and enterprise management.
- —The strengthening of rural reform aroused the enthusiasm of the peasants for developing agriculture, grain production in particular.
- —The improvement in teaching quality stimulated the initiative and creativity of the students for studying.
- —The perfection of the system of workers congresses gave full play to the role of workers as masters of enterprises and aroused their initiative and enthusiasm.
- —The combination of ideological and political work with material conditions further aroused people's socialist initiative and creavity.

That is enough. I simply cannot go on enumerating the rubbish. What is the difference between these hollow words and the party and government documents issued during the Cultural Revolution?

The masses are willing to do more provided they get more benefits. They will do nothing without any benefits. How can you tell between "socialist enthusiasm" and "capitalist enthusiasm?"

Regarding the enthusiasm of the students for studying, the problem is students do not like to study nowadays. I conducted an investigation of a secondary school and found that 78 percent of the students failed examinations. A small number of students studied hard for their future rather than for socialism. They wanted to go to a university. After entering universities, many of them did not study hard anymore. A handful of students studied diligently for the sake of getting an opportunity to go abroad. At a CPPCC panel discussion, Ding Shisun, CPPCC member and president of Beijing University, said: "Instead of studying, many students of Beijing University are fond of playing cards and are involved in love affairs. Some students are demoralized." Is it true for Li Peng to say that "the improvement in teaching quality stimulated the initiative and enthusiasm for studying?"

Can we regard the invididual cases in which "the enthusiasm of the localities, departments, and enterprises for running schools is aroused" as a universal phenomenon? Even in Guangzhou's richly endowed Zhujiang Delta, no one is interested in running schools. During a survey conducted by Hong Kong's NPC delegates and CPPCC members in Zhujiang Delta and Hainan in March, they found that the localities paid no attention to cultural and educational undertakings. While discussing the question of primary and secondary schools at the NPC, Fu Lan, vice principal of the Beijing Erligou Primary School, said heavyheartedly: "The cry 'primary and secondary education is confronted with a critical situation' prevailed for years. Now I think our education is really in a crisis."

Many teachers complained that the state is not willing to invest in education. Noted economist Qian Jiaju fiercely attacked the state's education policy when he had a chance to speak. It is particularly satirical that Beijing University students put up big character posters during the NPC sessions charging the state with paying no attention to education and not respecting knowledge and intellectuals. Ding Shisun, president of Beijing University, said: "Someday it will be difficult for us even to find a professor." There is also a serious shortage of primary and secondary school teachers. Vice Principal Fu Lan pointed out: There are 189 primary schools in Beijing's Haidain district, which has plans to open another 200 classes. Hobever, only 150 graduates were assigned from normal colleges to the district this year, less than one for each school. Moreover, the teachers at their posts are either physically weak or advanced in age.

In their speeches, the NPC and CPPCC delegates actually condemned the State Education Commission, which was under Li Peng's leadership. Although Li Peng attained no achievements while he was in charge of the State Education Commission, he tried by every means to exaggerate his education achievements in the Government Work Report in his capacity as an "acting premier."

It is also nonsense without any grounds to say that the enthusiasm of the masses has been stimulated through the so-called "education in socialist spiritual civilization." Actually, the masses are disgusted with the CPC's so-called "education in spiritual civilization." Who is interested in the "five stresses, four beauties, and three loves" and "learning from Lei Feng" advocated for the past 8 or 9 years? Who is willing to follow? Even the CPC members cannot do so. Social values are corrupted and the saying "it is useless to study" has reached another peak since the Cultural Revolution.

Young people indulge themselves in beating, smashing, looting, stealing, gambling, and smoking. Cases of murder and rape have also increased in urban and rural areas. It is especially indignant that public security personnel on the scene stand by with folded arms when robbers loot and hurt people. Similar cases have taken place on numerous occasions in Guangzhou. When the victims are sent to a hospital, the hospital usually requests the injured to pay first.

It is also a wild tale fabricated by Li Peng to say that the enthusiasm of the peasants for developing agriculture, particularly grain production, has been aroused. The current prices of grain cannot attract the interest of the peasants to grow grain.

Viewed from the above facts, the statements and conclusions in Li Peng's Government Work Report could be drawn by simply reciting the rules and regulations. For example, we can enormously arouse the enthusiasm of the masses for building socialism, eliminate unhealthy tendencies, and carry forward the spirit of mutual care

and love by carrying out "education in socialist spiritual civilization"—this is something like the "logical inference" and the "grasp class struggle and all problems can be solved" that prevailed during the Cultural Revolution. His work report was based on pure imagination, and Li Peng just did not care about what it actually would be.

Li Is Not a Moderate [subhead]

Since Li Peng is a close follower of Chen Yun, a moderate, and an adopted son of Zhou Enlai, also a noted moderate, people regard Li Peng as a moderate.

In his Government Work Report, however, Li Peng did not follow the resolution of the party congress. This shows that he is not a moderate.

When he assumed the office of vice premier, he craved for greatness and success. He planned to develop a large hydropower project (the Three Gorges project) unprecedented in history in an attempt to build up his public image.

At the NPC session, Li Peng promised a Hong Kong CPPCC member that "Hong Kong people ruling Hong Kong will be guaranteed 100 percent." He is telling tall stories again. All this shows that Li Peng is not a moderate.

CPC Holds Symposium on Mao's Later-Year Thinking HK0905132688 Beijing ZHONGGUO XINWEN SHE in Chinese 0848 GMT 9 May 88

[Report: "Researchers of CPC History Hold a Symposium on Mao Zedong's Thinking in His Later Years"]

[Text] Beijing, 9 May (ZHONGGUO XINWEN SHE)— The research group on the "study of Mao Zedong's thinking in his later years" under the party history research center of the CPC Central Committee recently held its first symposium on "Mao Zedong's thinking in his later years" to discuss some important relevant questions.

The research fellows participating in the symposium unanimously agreed that the term "Mao Zedong's thinking in his later years" mainly denotes some erroneous ideas put forward by Mao Zedong during his later years and, therefore, there is a clear demarcation line between these ideas and Mao Zedong Thought. In addition, Mao Zedong's thinking in his later years cannot be equated with the mistakes Mao Zedong made during his later years, for the former includes but is not limited to the latter.

Mao Zedong's thinking in his later years means the ideas and theories that Mao Zedong put forth and practiced in exploring the road to socialism in China during his later years, and it consists mainly of the ideas and theories on the questions of what kind of socialism is to be developed and how socialism is to be built. These ideas and theories already formed a relatively complete ideological system. Practice has proved that this system is basically divorced from the realities in China and is thus incorrect. But it also contains something correct, for example, the idea that agriculture must be taken as the basis for development of the national economy; the principle of maintaining independence and initiative and opposing hegemonism in international intercourse; and so on.

With regard to the origin of Mao Zedong's thinking in his later years, the researchers participating in the symposium aired their opinions on four points: First, Mao Zedong in his later years dogmatized and misinterpreted some basic principles and specific conclusions of Marxism-Leninism. He used such misinterpretations as his theoretical basis, and claimed to uphold Marxism-Leninism while insisting on his erroneous approach. Second, many ideas and theories that Mao Zedong put forth during his later years originated from the experiences he obtained during the years of revolutionary war in the past, such as the military communist supply system, the practice of vigorously promoting mass campaigns, and so on. Mao deified such experience and indiscriminately applied it to national construction. Third, in the making of his thinking in the later years, Mao Zedong was subject to the influence of both Chinese and foreign traditional cultures, such as the ideal of Great Harmony [da tong 1129 0681] and the egalitarian principle embodied in Chinese traditional culture, and all kinds of utopian socialist ideas of the West. Fourth, the backward seminatural economy and the ubiquitous small-scale production in China were the social origin of Mao Zedong's thinking in his later years.

During the symposium, the participants also discussed the division into different development stages of Mao Zedong's thinking in his later years, the main content of Mao Zedong's thinking in his later years, and the methodology for the study of this thinking. The scholars present at the symposium noted that Mao Zedong's later-year thinking is a complicated theoretical system which shows a basically incorrect orientation but contains some correct elements. In the study of Mao Zedong's later-year thinking, it is necessary to uphold materialist dialectics, scientifically analyze Mao's thinking based on facts, and make a comprehensive and objective evaluation of this thinking.

Today's GUANGMING RIBAO carried a detailed report on the symposium.

'Rewriting' of Mao's Place in History Discussed HK0905084588 Hong Kong AFP in English 0800 GMT 9 May 88

[By Pierre-Antoine Donnet]

[Text] Beijing, May 9 (AFP)—Twelve years after his death, the successors of Mao Zedong are slowly but surely rewriting his place in history, to such an extent that his image among Chinese could soon become negative, analysts say.

Several new attacks have been made in recent days on the memory of the man who led the Communist Party to power in 1949 and guided China's destiny for nearly 30 years amid an extravagant personality cult until his death in 1976.

In April two giant statues of Mao at the prestigious Beijing University were demolished under cover of night, while giant slogans celebrating the glory of his ideological thought were erased from panels in the center of the capital.

The official press has carried direct or veiled criticism of Mao almost daily this month, while marking the 10th anniversary of a major ideological row between hardline Maoists and advocates of an open-door China who finally emerged as winners.

On Monday the intellectual GUANGMING DAILY accused Mao of not having correctly understood Marxism-Leninism, of having based his ideology on a "utopian socialism" and of having made errors as early as 1956, the eve of his first big campaign to persecute intellectuals.

Recalling the events in May 1978, the PEOPLE'S DAILY Thursday said a faction within the Communist Party was seeking to impose the idea of "safeguarding whatever decisions were made by Chairman Mao and observing whatever instructions were given by him."

It said opponents of the idea, notably Deng Xiaoping, the man who would emerge as China's new senior leader, nad countered: "Practice is the sole criterion of truth"— a slogan used as the basis of economic reform and which has had "a profound impact on the destiny of our party, state and nation."

"Evidence has now increased that... China would not have been able to make any progress and would have stayed in a virtually hopeless state" had the pro-Mao side not been put down, the Communist Party newspaper said.

The ideological debate that occurred 10 years ago passed almost unnoticed overseas, analysts said.

In fact it represented a fierce power struggle between Mao loyalists headed by his heir apparent Hua Guofeng and reformists led by Mr Deng, who had just been rehabilitated after the Cultural Revolution, they said.

The rivalry came to the surface on May 11, 1978, when the press began to discreetly side against the Maoists—a prelude to victory for Mr Deng who, seven months later at a party plenum, announced an ideologicial turnaround together with the first economic reforms of the post-Mao era, analysts said.

The period that followed this internal party debate was "10 years of liberation of the forces of production, 10 years of struggle against far-left (Maoist) ideology and 10 years of evolution of Marxism," wrote celebrated Chinese economist Tong Dalin in GUANGMING DAILY on Saturday.

The drive to root out Maoism in China began with Mr Deng's triumph over his last Maoist adversaries in 1979, analysts said. But while he was the principal architect of the trend, the new senior leader never sought to fully erase the legacy of the man who twice purged him as a "capitalist roader."

The official assessment of Mao is that he was 70 percent correct in his actions and 30 percent wrong.

But his image is already largely negative for young Chinese as well as those among the older generation who hold him responsible for such catastrophes as the 1966-1976 Cultural Revolution, observers said.

Western diplomate say, however, that China will probably never be able to totally exorcise the trauma that Maoism represented before his contemporaries Mr Deng, 83, and other leaders of Mao's generation pass away.

CYL 12th National Congress Continues

Membership Card System Explained OW0705160688 Beijing XINHUA Domestic Service in Chinese 1044 GMT 6 May 88

[Text] Beijing, 6 May (XINHUA)—Delegates to the 12th CYL National Congress examined and deliberated a draft resolution on the implementation of a membership card system at today's panel discussions. In an interview with a responsible person of the CYL Central Committee, our reporter asked some questions about the implementation of this system:

Question: How har the membership card system come into being?

Answer: Created under the conditions of reform and opening to the outside world, the membership card system is an effective method for the administration of CYL members. The system is a major reform of the CYL's organizational system. In the initial period of rural economic reform, some grass-roots CYL organizations began to make plaques or cards for their members in order to solve administrative difficulties due to the moving and scattering of the members after the introduction of the output-related household contract responsibility system. The cards or plaques, bearing the names and positions of the members, served to show identities and made it more convenient to organize various CYL activities. Subsequently, CYL organizations in a number of enterprises, establishments, institutions of higher education, and middle schools in cities followed suit. They

also made their own membership plaques or cards. As a result, numerous forms of membership cards have appeared in the country. With the deepening of rural reform and the implementation of the reformed employment system in cities, more and more CYL members are moving from one place to another. To strengthen the administration of these CYL members, a membership card system was included in the CYL's 1984 program for reform of grass-roots work. Through 4 years of well-planned and systematic experiments, the membership card system has taken initial shape. Conditions are now ripe for this system to be implemented nationwide.

Question: What are the details of the membership card system?

Answer: The membership card system is an organizational work system whereby CYL organizations manage their members by means of membership cards. The system is based on the membership cards and the "Provisional Regulations on Membership Cards of the Chinese Communist Youth League." Information carried on the membership card includes the member's physical condition, place of membership registration, change of organizations, honorable records, date of end of membership upon reaching the age limit, and remarks. Attached to the membership card is another card for recording the payment of membership dues. The main purpose of the membership cards are proving the member's political identity, facilitating transfer from one CYL organization to another, making annual registrations, recording the CYL awards received by the member, and making it convenient for the member to join various CYL activities, serving as a credential for the member to take part in democratic elections and voting within the CYL, and serving as the member's permanent souvenir after he or she leaves the CYL upon reaching the age limit.

Question: What is the significance of implementation of the membership card system?

Answer: The membership card is open and legal proof of the political identity of a CYL member. Within the scope designated by the higher authorities, a CYL member holding a membership card can participate in studies or other activities in the fields of politics, culture, science, technology, and entertainment sponsored by the CYL. When traveling to another place, a CYL member can contact the CYL organization of the unit he or she visits or join activities of the designated CYL organization by presenting his or her membership card. The use of membership cards as a means of administration of CYL members will replace the use of letters of introduction when introducing CYL members to different CYL organizations—a practice that has been carried on until today since the years of the war. This will help break with the old administrative method characterized by barriers between different regions and departments and between

higher and lower levels. It will also enable CYL members to play a more active and fiexible role in various CYL and social activities in the environment of the commodity economy.

Bo Yibo, Xi Zhongxun Meet CYL Deprties OW0905004088 Beijing XINHUA Domestic Service in Chinese 0749 GMT 8 May 88

[Text] Beijing, 8 May (XINHUA) — When conversing with deputies to the 12th CYL Congress today, Bo Yibo, vice chairman of the Central Advisory Commission; Xi Zhongxun, vice chairman of the NPC Standing Committee; and Ma Wenrui, vice chairman of the CPPCC National Committee, encouraged the youths to bravely take on the historically important task of acting as the vanguard and main force of reform, and endeavour to create a bright future.

Bo Yibo met deputies from Shangxi at Zhongnanhai this morning. When conversing with the deputies, he reviewed China's modern history and integrated it with his experience. He then exhorted them: You are now in your thirties. As long as you conscientiously work for 10-odd years untill you are 45 years old, you will see China have a chance to free iteself from poverty. He said: The future belongs to you, and China's future depends on your performance. He hoped that the youths would devote themselves to developing the socialist commodity economy, learn technology and management, and learn how to swim in the great ocean of the commodity economy.

Xi Zhongxun and Ma Wenrui arrived at the Jingfeng Guesthouse this morning to visit deputies from Shaanxi and Henan. When conversing with deputies from Shaanxi, Xi Zhongxun said: The youths should seek truth from facts, set a good example for others, meet difficulties head-on, and never pursue fame and profits. He said: With a sense of being highly responsible to history, the CYL should educate, guide, and unite the vast numbers of the youths to struggle for building a socialism with Chinese characteristics. He hoped that the old cadres would learn from the youths, so as to keep youthful vigor in both work and life.

Bo Yibo Discusses HONGQI HK0905110488 Hong Kong HSIN WAN PAO in Chinese 9 MAY 88 P 4

["Special Dispatch" by HSIN WAN PAO special correspondent Shen Yang (3088 2254): "Bo Yibo Talks About HONGQI's Suspension"]

[Text] Beijing, 9 May (HSIN WAN PAO)—During a conversation with Shanxi delegates to the 12th CYL National Congress yesterday, senior CPC leader Bo Yibo talked about Chen Yonggui, a figure who was promoted to vice premier of the State Council during the Cultural Revolution. Bo Yibo said: "Chen Yonggui had been a good man and it was I who set him an example to

emulate. However, he later became swell-headed and echoed whatever some people said, playing a part in the tragic nationwide campaign of emulating Dazhai and in the immature transition."

Chen Yonggui was a former secretary of the party branch in Dazhai Village, Xiyang County, Shanxi Province.

Bo Yibo also talked about the suspension of publication of HONGQI, the official journal of the CPC Central Committee. He said: While HONGQI is to cease publication, QIUSHI [SEEKING TRUTH] is to begin publication. As a journal run by the Central Party School, QIUSHI will emphasize the principle of seeking truth from facts and earnestly achieving something in a down-to-earth manner.

Referring to efforts to lower the average age of highranking cadres, Bo Yibo said: "I expect that almost all our cadres will be younger in average age by the 14th party congress."

Bo Yibo also talked about the current craze of renovating and building temples throughout the country. He said: "Temples like those on the Wutai Mountain are worth renovating because they are tourist attractions, but there is no need to arbitrarily renovate and build temples everywhere because that may cost too much money."

More on Bo Yibo Remarks OW0805212588 Beijing XINHUA in English 1419 GMT 8 May 88

[Text] Beijing, May 8 (XINHUA) — Chinese youths should become pioneers and the main force in the economic and political reforms, said a senior party leader here today.

Bo Yibo, vice-chairman of the Central Advisory Commission of the Communist Party of China, was speaking to delegates from Shanxi Province to the 12th National Congress of the Chinese Communist Youth League, which ended here today.

"You should emancipate your mind even more," he told them in Zhongnanhai, the site of the party Central Committee. "Youths are the most vigorous force in society, and should be the vanguard of the reforms."

"Youths must learn to 'swim' in the ocean of the socialist commodity economy, but they have to be careful not to get drowned," he said, jokingly.

That means, he explained, they should make money through honest work, instead of resorting to malpractices.

Qiao Shi Meets Delegation
OW0605234988 Beijing XINHUA Domestic Service
in Chinese 1321 GMT 6 May 88

[Text] Beijing. May (XINHUA) — Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee, called on delegates from Zhejiang to the 12th CYL National Congress this afternoon at Jingxi Hotel where they were staying. He encouraged the young men and women to carry on the torch and work hard in the great undertaking of building socialism with Chinese characteristics.

Qiao Shi, who had worked underground in Shanghai for many years, was transferred to Zhejiang to work as the secretary of the Hangzhou City CYL Committee in the early years of the PRC. At the meeting today, he told the young delegates: "I'm getting old. My hope rests on you."

Recalling the heroic path the CPC has traversed, Qiao Shi said: The removal of the Three Big Mountains [imperialism, feudalism, and bureaucrat-capitalism, which are compared to mountains weighing on the backs of the Chinese people before communism] and the founding of a New China did not come easily; they were achieved with the bloody sacrifices of our martyrs and the arduous and protracted struggle by the older generation of revolutionaries. Facts have repeatedly proved that only socialism can save China and the Chinese people can find a way out only by building socialism, and that the Chinese youths must regard socialist construction as their lofty obligation.

Qiao Shi said: The Chinese people must accomplish the four modernizations with available resources and build up the country through thrift and hard work. We must have our national pride and integrity, otherwise it is impossible to successfully develop China and stand on our own feet in the forest of nations.

Qiao Shi urged the young people to carry on the revolutionary tradition and exert themselves to win new victories. He hoped that all quarters in society will show concern and support the work of the CYL and help bring up the younger generation.

Hu Qili Visits Minority Youths
OW0805122488 Beijing XINHUA Domestic Service
in Chinese 1111 GMT 7 May 88

[By reporter Zhang Sutang]

[Text] Beijing, 7 May (XINHUA) — This morning, while visiting delegates of the 12th CYL National Congress from the ethnic regions, Hu Qili, member of the Standing Committee of the Political Bureau of the CPC Central Committee, said: Young people from every ethnic group, when they get together, must give special attention to the spirit of national unity and must be

taught, from an early age, to adhere to this spirit. We must also combine the education of young people with entertainment, service, training, and study.

Hu Qili went to the Jingfeng Guesthouse first to visit delegates from Qinghai Province. He held discussions with them after warmly shaking hands. Hu Qili said: We must fully recognize the achievements of CYL work carried out under difficult conditions in the border and ethnic regions. The first task for CYL work in the ethnic regions is to pay attention to education on national unity for young people. They must be made to clearly understand that national unity is one of the basic guarantees needed for the accomplishment of the four modernizations.

He said: The CYL must pay attention to the training and selection of ethnic cadres. At the same time, it must create a better learning environment for youths of ethnic minorities, and provide them with better learning conditions so that they will mature faster.

When Hu Qili came to the abode of the Tibetan delegation, he was presented with a piece of white silk as a greeting gift by Losang Gyaincain [3157 2718 3068 2625], secretary of the Xizang Autonomous Regional CYL Committee. Hu Qili asked Losang Gyaincain and Jigme Zhoigar [0366 5019 0587 0867], secretary of the Lhasa City CYL Committee, about CYL work in Tibet. When he heard that many CYL cadres are part-time cadres who participate in production, Hu Qili joyfully said: What our CYL organizations need is a large number of youth activists who also engage in production. They are a part of the young people and will be able to reflect their wishes and needs. They can also reach the grassroots in the course of their work. He emphasized: We have a presupposition which is to insist upon national unity, progress and reunification of the motherland, and to oppose separatism. This must become one of the hallmarks in the spirit of patriotism among youths of the ethnic regions. Under this presupposition, we fully respect the freedom of religious beliefs.

At the residence of the Xinjiang delegation, CYL delegates warmly gathered around Hu Qili. One of them helped Hu Qili put on a small colorful cap of the Uygur nationality. Hu Qili held their hands and joined in their singing and dancing. Soon after the 1985 earthquake in Xinjiang's Wuqia County, Hu Qili visited the people in the area to express his concern. He also used his car to send a wounded girl to the hospital for treatment. Today, when he heard from the delegates that she is in good health and is presently attending senior high school, he gladly asked the Xinjiang comrades to convey his greetings to her.

At the residences of the Inner Mongolia, Ningxia, Yunnan and Guangxi delegations, Hu Qili conducted cordial discussions with them. He inquired about the latest tidings on Yurong, a heroine of the grassland, and happily received a pair of cups, made from cattle horns and symbolizing an alliance, from the delegates of Inner Mongolia. Hu Qili had once served as a deputy secretary of Ningxia's Xiji County. Today, he asked the delegate from Xiji County to convey his greetings to the county's people.

While visiting the delegates of ethnic minorities, Hu Qili stressed: The new situation brought about by reforms and opening to the outside world has placed new demands upon CYL cadres. We must steadily improve our ideo-political work and must integrate the party's line, principles and policies with the realities in our CYL work for young people, adopting methods which they like to see and hear, so that they can accept our work whole-heartedly. Our hope, in the final analysis, rests upon the young people.

Today, Hu Qili also met with leaders of some CYL delegations and delegates from Beijing, Shanghai and Tianjin attending the 12th CYL National Congress.

Unity of Nationalities Stressed

OW0905014788 Beijing XINHUA Domestic Service
in Chinese 1446 GMT 8 May 88

[Text] Beijing, 8 May (XINHUA) — Vice Chairmen of the NPC Standing Committee Ngapoi Ngawang Jigme and Banqen Erdini Qoigyi Gyancan met with the delegates from Tibet and other provinces and autonomous regions attending the 12th CYL National Congress and some Tibetan students of the China Youth Political Institute in the Tibet Room of the Great Hall of the People this evening.

The two vice chairmen urged the young people present at the meeting to enhance their scientific and general knowledge and ability by studying hard, uniting with other nationalities, and leading Tibetan youth in contributing to improving the poor and difficult situation of their native region.

Vice Chairman Ngapoi said: You should love your native lands and China and educate young people on the inseparability between the Han Nationality and Minority Nationalities.

Vice Chairman Banqen admonished the young people: You must make arduous efforts in order to improve the situation of Tibet. A happy life will not come if you sit and wait. Your style of work and ideological awareness have a direct impact on other Tibetan youth. You should learn advanced science and technology, the Han language, and advanced things of other nationalities, and make efforts to build material and spiritual civilizations in Tibet.

Wu Jinghua, secretary of the Tibetan Autonomous Regional CPC Committee, was present at the meeting.

The Tibetan youth gave a brilliant art performance after the meeting. Quality of Education Discussed OW0805144688 Beijing XINHUA in English 1442 GMT 8 May 88

[Text] Beijing, May 7 (XINHUA) — China's institutions of higher learning have to improve the quality of education, and in the future, most of the country's high school graduates should get involved in the country's economic development.

He Dongchang, vice-minister of the State Education Commission, made these remarks at a meeting today with some of the delegates attending the ongoing 12th National Congress of the Chinese Communist Youth League.

He also said, "The main goal for China's institutions of higher learning is to work under a structure which can actively meet the needs of economic construction."

At present, he went on, the country's schools at all levels now have a student body of 220 million, of which more than 4 million are now studying in institutions of higher learning, with this figure ranking third worldwide after the Soviet Union and the United States.

China now enrolls about 1.1 million in the country's institutions of higher learning every year, of which more than 500,000 are enrolled in continuing education, he said.

"Educational development has to be compatible with economic development," he said.

Now 1,240 counties, or 60 percent nationwide, offer primary school education, he said, and according to the education commission's plan, primary school education will be available in 85 percent of China's townships by 1990.

The vice-minister also said, China will do more to develop professional and polytechnical education to meet the needs of the country's economic development.

New Central Committee Formed OW0805132888 Beijing XINHUA in English 1210 GMT 8 MAY 88

[Text] Beijing, May 8 (XINHUA)—A new Central Committee of the China Communist Youth League (CCYL) was formed today at the closing ceremony of the 12th National CYL Congress.

The new committee is expected to further improve the democratic system for the league, which is the most influential organization among the country's young people.

The 12th Central Committee is formed by 165 members and 70 alternate members, all were elected in a way of more candidates for seats.

The candidates for members and alternate members are 182 and 90 respectively, and all of them were named after thorough consultation by the last Central Committee and local league committees.

The election way of more candidates for seats, first adopted at the national league congress, has already been written in the amended league Constitution.

Also approved at the ceremony was a resolution on amendment to some articles of the league Constitution, which covers regulations on league members' age, election system, powers and functions of local league congresses and organizations at grass-roots level.

The resolution means granting more democracy to league members by gradually abolishing the system of appointment in selecting league leaders, and local league congresses at various levels will also be granted greater power in deciding their policies and tasks.

A resolution on introducing league card system was also adopted at today's meeting, which is designed to improve the administration of league members.

Congress Closes 8 May
OW0905005688 Beijing XINHUA Domestic Service
in Chinese 1134 GMT 8 May 88

[Text] Beijing, 8 May (XINHUA) — The 5-day 12th CYL National Congress closed in the Great Hall of the People this afternoon.

Li Yuanchao, an executive chairman of the meeting, described the congress in his closing speech as a meeting of reform, democracy, unity, and high efficiency. He said that reform, as a banner of the 12th CYL National Congress, will guide the CYL in forging ahead with a new image.

At today's meeting, 1,942 delegates of various nationalities elected by secret ballot the 12th CYL Central Committee composed of 165 members and 70 alternate members.

The meeting adopted a resolution on the work report of the 11th CYL Central Committee and approved the work report, delivered by Comrade Song Defu on behalf of the 11th CYL Central Committee entitled: "Carry Forward the Cause, Forge Ahead Into the Future and Work Hard in the Course of the Great Undertaking of Building Socialism With Chinese Characteristics."

The resolution calls on young people of all nationalities and all CYL members in China to follow the CPC more firmly, carry forward the cause, forge ahead into the future and work hard in a down-to-earth way for the magnificent cause of building socialism with Chinese characteristics.

The meeting adopted a resolution on practicing a CYL membership card system and decided to gradually implement the system throughout the country after the current congress. At the same time, the meeting called on CYL leading organs at all levels and all primary CYL organizations to take the implementation of the CYL membership card system as an important task in reforming the work of CYL organizations and in building up primary CYL organizations, and to ensure a smooth implementation of the system.

The meeting decided that "Glory, the Communist Youth League of China" be the song of the CYL of China.

Today's meeting also adopted a resolution on amendment to some articles of the CYL Constitution.

Yan Mingfu, member of the Secretariat of the CPC Central Committee, attended the meeting.

Other executive chairmen at today's meeting were Song Defu, Liu Yandong, Zhang Baoshun, Li Keqiang, Luo Sang, Liu Qibao, Feng Jun, Li Zhilun, Li Xueju, Zhao Ximing, Ding Yaomin, Ma Wenxue, Wang Xiaojuan, Wang Donghua, Wang Rulin, Ba Teer, Long Zhongzhi, Ye Xiaowen, Ye Baocun, Baihetiyaer Apizi, Jiang Haiyan, Liu Peng, Liu Shaojie, Ji Bingxuan, Li Zhanyong, Li Jianguo, Song Xiuyan, Mao Linsheng, Yang Chuantang, Tong Lijun, Chen Shaoyong, Chen Yongkang, Zhang Tianli, Zhang Zuhua, Zheng Mumin, Luo Baoming, Jin Yinhuan, Luosang Jiangcun, Xu Changzhong, Li Zhanshu, Huang Shuxian, Huang Yaojin, Qin Yanrui, Bao Zhiqiang, Qiang Wei, Pu Changcheng, and Miao Helin.

Fang Lizhi Allowed To Attend Conference in U.S. HK0705024188 Hong Kong WEN WEI PO in Chinese 6 May 88 p 2

[Dispatch by staff reporter Liu Jui-shao (0491 6904 4801): "Fang Lizhi Will Go to the United States at the End of This Year To Attend an International Academic Conference"]

[Text] Beijing, 5 May—Fang Lizhi, research fellow of the Beijing Observatory under the Chinese Academy of Sciences, received a notice today. The departments concerned have approved his application to go the the American state of Texas in December of this year to attend an international symposium on relativistic astrophysics, which is held every 2 years. Fang Lizhi is the Chinese member of the international organizational committee of the symposium. Fang Lizhi will also go to the city of Perth in Australia this August to attend the Fifth International Conference [name as published].

Poll Shows Confidence in New State Council OW0905105388 Beijing XINHUA in English 1011 GMT 9 May 88

[Text] Beijing, May 9 (XINHUA)—Most respondents in an opinion poll expressed confidence in the new State Council members headed by Premier Li Peng, the "ECONOMIC DAILY" reported today.

The poll was conducted by the newspaper and the urban survey team of the Beijing Statistical Bureau after the First Session of the Seventh National People's Congress ended on April 13.

It found that 86.7 percent of the 509 respondents were "satisfied" or "fairly satisfied" with the cabinet.

Nearly 70 percent said that they were "confident" or "fairly confident" in the new government's ability to handle important issues in the reform, the daily said.

Some respondents said they believed the new leaders, who are younger and better educated than their predecessors, can do more for the people.

Half of the respondents felt the most difficult problems facing the cabinet are improving the Communist Party style of work and general social conduct.

They said they hoped the State Council can find ways to end malpractices.

Price reform was described as the most knotty problem by 26.9 percent of those surveyed, while 29.9 percent doubted price hikes can be checked.

"We are completely at a loss with the repeated rounds of price increases," the paper quoted one of the respondents as saying.

On the issue of educational institutes setting up paid services to increase teacher incomes, nine percent believed it was good, 41.9 percent felt it should be carried out on a trial basis, and 32.2 percent described it as "neither good nor bad".

The major fear was it would result in a decrease in teaching quality.

The way to incease teacher incomes is to reduce investment in non-productive projects, some proposed.

On the delegates' performance at the congress, 72.9 percent were satisfied the delegates reflected the will of the voters.

"They are no longer those who just raise their hand or applaud for agreement," one respondent said.

Just over three-quarters were satisfied with the openness of the session, although 22.8 percent were not and felt a lot more needs to be done to achieve a democracy in China.

Hu Qili Meets With Theoretical Cadres OW0805044688 Beijing XINHUA Domestic Service in Chinese 1449 GMT 7 May 88

[By reporters Yu Quanyu and Zhou Changxin]

[Text] Beijing, 7 May (XINHUA) — A national work conference on theoretical education among cadres ended today. The meeting decided to conduct an intensive study on the theory on the initial stage of socialism and the party's basic line among party member-cadres of party and government organizations at and above the county level across the country.

During the conference, Hu Qili, member of the Standing Committee of the Political Bureau of the CPC Central Committee, invited officials from the propaganda departments of all provincial, municipal, and autonomous regional party committees to attend a discussion. After listening to their views, Hu Qili said: It is necessary to strengthen and explore new methods for conducting ideological and political work, including theoretical study by party and government functionaries. Copying the same old method cannot strengthen but rather may weaken the work. He urged the officials to summarize and spread the good experiences in reforming ideological and political work by some localities and departments.

The 4-day conference was called by the Propaganda Department of the CPC Central Committee. Department director Wang Renzhi and deputy directors Wang Weicheng and Li Yan, as well as Comrade Wang Huide, spoke at the conference.

The conference pointed out: Satisfactory results have been achieved in conducting the study of the 13th CPC National Congress documents among all party cadres over the past 6 months. In intensifying the study, it is especially important to make party member-cadres on active duty in party and government organizations at and above the county level further understand and grasp the theory of the initial stage of socialism, on which the documents have expounded, as well as the party's basic line in this historical period formulated on the basis of the theory, thereby spurring the study by non-CPC cadres, grass-roots cadres, and the masses of people.

Gong Yuzhi, deputy director of the Propaganda Department of the CPC Central Committee, explained a suggestion (drafted for discussion) for conducting the study. He said: The Party Central Committee has clearly instructed us that further emancipating the mind and liberating the productive forces should be the focuses of the study. Hence, the process of study should be one of emancipating the mind

and increasing the party member-cadres' Marxist awareness and their understanding of the basic line to solve practical problems and achieve breakthrough in building material and spiritual civilization.

The conference pointed out: Various localities have already provided useful experience and suggestions for intensifying the study on the theory on the initial stage of socialism and the party's basic line. Some have suggested that discussion be held during a given period of time on the question on the standards of productive forces, while other have planned to conduct study and discussion in the light of the strategy for local economic and social development (the strategy for developing an exportoriented economy in the case of coastal regions). Still, some have planned to carry out the study in conjunction with party building and the building of spiritual civilization, while others, to solve ideological and work problems among some cadres, have held various study classes for different groups of people (such as study classes for plant directors and party committee secretaries, and so forth). These are the more efficient ways for conducting and deepening the study.

The conference held: In view of the different circumstances in various localities and departments, party and government leaders of all provinces, municipalities, and autonomous regions and departments and commissions under the central authorities should work out their own plans for conducting the study based on the actual condition, needs, and work of each locality and department. They should, while complying with the central authorities' basic demands and guidelines for studying the essence of the 13th CPC National Congress documents under the general title of education on the the basic line, adopt diverse methods and forms for launching and highlighting the key points of the study so as to harness the initiative and creativity of all provinces, municipalities, and autonomous regions and departments and commissions under the central authorities.

The conference called on party member-leading cadres of party and government organizations and propaganda and ideological work cadres to exemplify themselves in studying and guiding the study on the theory on the initial stage of socialism and the party's basic line. At the same time, it is also necessary to bring into full play the role of cadres' theoretical education lecturing groups whose work methods must be continuously updated to keep abreast of the demands of modernization and reform.

PLA Implements Civilian Cadre System OW0605142088 Beijing XINHUA Domestic Service in Chinese 1423 GMT 4 May 88

[By reporters Wu Kelu and Chen Zhiqiang]

[Text] Beijing, 4 May (XINHUA) — A pilot program for the PLA civilian cadre system has been introduced in 41 units. Rearrangement work for the civilian cadre system throughout the armed services will be completed by the end of July. A responsible person from the Cadre Department of the PLA General Political Department said at a briefing today that the units involved in the pilot program include academies, colleges, hospitals, scientific research institutes, institutions, and recreation and sports departments. The pilot program is progressing smoothly.

In response to doubts about the significance of civilian cadres since their renumeration still comes from the military budget, this responsible persons said: The most important objective facing the civilian cadre system is to provide stability to specialized and technical cadres. At present, the positions in civilian appointments are all held by military officers. The provisional regulations for civilian cadres have been formulated on the basis of this particular point and will be further improved in the future.

The responsible person continued: The Central Military Commission calls upon all PLA headquarters institutions and their subordinate units to take the lead to resolutely implement its decision, and to facilitate the gradual expansion of the scope for civilian cadres.

According to the briefing, the uniform of civilian cadres will be entirely the same as that of serving military officers of the same rank except for a badge and epaulettes of different color to indicate their civilian status.

Scholar Criticizes Academy's Personnel System OW0705021888 Shanghai Voice of Pujiang in Mandarin 0900 GMT 5 May 88

[Text] Yan Jiaqi, director of the Political Science Institute of the China Academy of Social Sciences indicated on 28 April that he was leaving his post, according to Hong Kong's WEN WEI PO. He criticized the personnel appointment system of the Academy of Social Sciences as not conforming to democratic and legal procedures. He also pointed out that the Academy of Social Sciences did not attach due importance to political science and that he was unable to effectively discharge his duty.

At a [words indistinct] meeting on 28 April, Yan Jiaqi proposed to change the director appointment system and replace it with a system of election by faculty members. He also said that generally speaking, administrative posts should be limited to two terms in order to facilitate overall personnel change.

Yan Jiaqi became director of the Political Science Institute in 1982 and was appointed for the second term in 1985. He proposed to leave his post even though he was likely to be appointed for a third term. After leaving his post, Yan Jiaqi will concentrate on writing. He wishes to contribute to the development of political science.

Normal School Students Do Not Wish To Teach OW0705050988 Beijing XINHUA Domestic Service in Chinese 0140 GMT 4 May 88

[By XINHUA reporters Zhang Chijian, Cao Yongan, Li Derun: "Wide-Angle View of Middle and Primary Schooling — A Chat With Teachers of Tomorrow"]

[Excerpts] Beijing, 4 May (XINHUA) — In a dormitory in Beijing Normal College's Xibei Building, the reporters held a heartfelt chat with a dozen students who will graduate this year.

Reporter: You will become teachers soon. How do you feel about this?

Students answer in chorus: Frankly speaking, we dislike becoming teachers.

Reporter: Then, why did you enter the normal college?

All students: It is difficult to explain in a word!

Student of Beijing origin: I was admitted to the normal college through recommendation. Thus, I could avoid the hardship of participating in the entrance examination for the schools of higher learning. Besides, the teacher coming to recruit students repeatedly told me: "You are going to study education. I guarantee you will not become a teacher after graduation."

Student of Sichuan origin: I enthusiastically entered the normal college and know more about education after four years of study. However, the more I understand education, the more I dislike becoming a teacher. We just came back after practice in Hebei and other areas. The conditions in the middle and primary schools there were too poor for us to carry out teaching. [passage omitted]

Student of Jiangxi origin: The state law governing compulsory education carries no weight. Some localities just can't guarantee their educational expenditure. How can teaching be carried out?

Reporter: At present, the nation is indeed facing difficulties. However, many teachers are conscientiously working under the difficult circumstance. They are even waiting for you!

A student: The schools today just have no attraction at all.

A student: What is worse than being a teacher?

Reporter: What can be done? If all of you dislike becoming teachers, who will teach your children in the future?

Some said: I myself will teach.

Some said: These were only words said in anger. We are to become teachers since we have studied in the normal college. The point is that we hope the state will genuinely regard education as important.

Some said: We should overcome difficulties with more approaches. Is private schooling allowed? If it is allowed, we can make it a success.

Some said: Schools are run in a rigid way. We should break with egalitarianism and rejuvenate schools first!

Reporter: It seems that reform is more attractive.

All students: Yes.

Beijing University Celebrates 90th Anniversary *HK0705035288 Beijing CHINA DAILY in English*7 May 88 p 4

(By Cai Hong)

[Text] In people's minds, Peking University is the "Oxford" or "Cambridge" of China. It holds the leading position among Chinese institutions of higher learning.

Now the university is celebrating the 90th anniversary of its founding.

"In the past 90 years, Peking University has trained a great number of highly talented personnel for economic, scientific and cultural developments in China," said Ding Shisun, the acting university president.

On May 4, hundreds of alumni flocked to the campus for reunions.

They included alumni of the university itself and the former Sino-French and Christian Yenching universities, which in the early 1950s merged with Peking University and the war-time Southwestern Union University in Kunming.

Peking University is descended from the Metropolitan University and was founded in Peking in 1898. The university adopted its present name in 1912.

As the cradle of the May 4 Movement of 1919, an anti-imperialist and anti-feudal political and cultural movement, the university has had a glorious tradition.

May 4, the Chinese National Youth Day, has been taken by Peking University as its birthday, to mark the great contribution its students made for the Chinese revolution.

The university has trained more than 54,700 students since the founding of the People's Republic. Now, it has 29 departments, 31 institutes and 18 research centres. It is making great contributions to the development of China's higher education.

Yet, the university also faces problems.

An over-abundance of middle-aged associate professors and lecturers has resulted in waste of talent and the lack of a lively atmosphere at the university, a teacher in the Department of Chinese Language and Literature told CHINA DAILY.

It has more than 3,000 teachers and research fellows, one-third of them professors and associate professors. The proportion of teachers to students in the university is only one to six.

The volume of teaching work is too small, according to the teacher. This is especially true for young teachers of specialized fields, he said.

Moreover, some of those who ought to retire refuse to do so while others who are badly needed are not given the posts because the size of the faculty is limited, the teacher said.

Zhang Longxiang, president of the university from 1981 to 1984, said in this time of reform, change in higher education also is necessary.

He said it is necessary to adjust specialities in universities. For example, there can be none for the first and second years students. In the third year, they will be assigned to different specialities. Thus, they will acquire a wider range of knowledge and can meet the needs of society.

The lack of funds for education is now very serious. Universities are now allowed to offer paid services, he said. But this should be considered as a way of combining study with practice rather than a way of raising the teaching staff's income.

Xiao Yun, a post-graduate from the Department of Physical Science, said basic research has not been given enough attention while many professors participate in technological development in enterprises.

They can earn extra income from such activities, but cannot have enough energy for basic research.

However, facing such problems, the students and their teachers are still confident of their school's future.

"Although there are things unsatisfactory, the university is still attractive to its students and teachers for its democratic tradition," said Zhu Dexi, a professor in the Department of Chinese Language and Literature.

In recent years, students at Peking University have become more active and are paying more attention to national affairs, particularly the ongoing reforms and the development of socialist democracy. "It was Cai Yuanpei, the chancellor of Peking University from 1916 to 1927, who first encouraged all-inclusive ideas for developing the campus and advocated freedom for academic research during his tenure of office," Liu Hong, a student in the Department of English Language and Literature, recalled.

As a result, he said, new ideas, including Marxism, streamed into the university.

Chen Duxiu, a radical intellectual and dean of the Institute of Liberal Arts at that time, first urged young people to make a complete break with the old tradition and seek the advice of two "gentlemen" in the West—"Mr Science" and "Mr Democracy."

Chen was one of the founders of the Chinese Communist Party.

Science and democracy have been the spirit of Peking University.

Commentary Urges Development of Western China HK0605143688 Beijing ZHONGGUO XINWEN SHE in Chinese 1206 GMT 25 Apr 88

[Commentary by Wei Lin (7279 2691): "The Eastern Part of the Country Is Taking Off, What About the Western Part?"]

[Text] Since the Chinese authorities set down the development strategy for coastal areas, there has been a striking contrast between the rapid development of these areas and the anxiety of the western regions of the country. Some people are worried that the central authorities' decision to provide a more relaxed and preferential policy for coastal areas will widen the gap between the eastern and western parts of the country.

This worry is not without reason. "Short of spring breezes," the western regions account for 70 percent of the country's territory, but have only 14 percent of its cities. In addition, most of these cities are underdeveloped and there is a downward trend in their economic strength. Take the western city of Xian for example. Its gross industrial output value ranked 10th in the country before 1980, but now it ranks 23d.

If this continues, will the eastern regions not become richer and the western regions poorer? And will there not be more problems in the economic relations between the eastern and western regions of the country?

This will not be allowed to continue. The CPC has drawn up a great strategy. When talking about the implementation of the economic development strategy in coastal areas, Vice Premier Tian Jiyun has said that it is difficult for all the regions in the country to become prosperous at

the same time, because the country's territory is very large. However, it is possible for some or several parts of the country to become prosperous ahead of others. An example is Guangdong.

In face of this reality, the western regions must make a correct choice. Possibly, as ideally planned, the western regions will serve as a reliable backup for the economic development of coastal areas, and will speed up their own economic development by relying on the latter, thus forming a virtuous, multi-tier nationwide economic cycle and bringing about a new economic leap in the country.

The western regions of the country also have their strong points. They are rich in resources and have cheap labor. For historical reasons, in the 1960's China shifted a large number of industrial bases and large and medium enterprises for "war preparations" to the western and hinterland regions. As a result, their heavy industry (energy and raw materials industries in particular) has become comparatively strong and the scientific and technological power of the cities in these regions is stronger than that of many cities in the eastern part of the country.

Taking account of the economic development and needs of the eastern and western regions, some people have suggested: On the one hand, the western regions should develop some light industrial enterprises having close connections with the processing of raw materials, so that they can put an end to the practice of transporting raw materials from distant eastern regions; on the other hand, they should also maintain a "certain degree of inclination toward heavy industry"; in other words, they should not devote all of their efforts to developing processing industries but should also maintain a certain proportion of heavy industry.

The reasons are as follows: Apart from the costs of heavy chemical industrial production in the western regions being lower than those in eastern and southern coastal areas, there are two more factors worth noting. First, in developing an export-oriented economy, coastal areas should have strategic bases of raw materials so as to cope with world market fluctuations; while maintaining a certain inclination toward heavy industry, the western regions can help the eastern regions increase their safety margins in the course of heading for the international market. In the meantime, the western regions can also speed up their own economic development.

Second, as industries in eastern and southern coastal areas are facing new changes, a temporary economic down-turn may possibly appear. If industries in the western regions can play a positive role in supporting and supplementing the industries of eastern and southern coastal areas, this will be very good for the western regions themselves and for the rest of the country.

It is difficult to say at present whether this idea is correct. But at least it is good that all parts of the country are drawing up plans and programs on the basis of the new economic strategy. Some provinces and cities in the western regions of the country have proposed that in the course of providing raw materials markets for economic development in coastal areas, the western regions should use some of the markets in coastal areas to stimulate and develop their own production. In addition, the western regions can also use coastal areas to expand their exports directly or indirectly, to develop technology- and labor-intensive products, and to increase their labor service abroad.

Some people have also suggested that the hinterland should also enjoy preferential policies and build some economic development zones. Gansu and Qinghai Provinces have long cherished the hope of jointly exploiting the upper reaches of the Huang He. They are planning to use the areas and resources along the 900-km river line from the Longyang Gorge to the Qingtong Gorge to construct a large hydropower network as well as industrial bases for alloy steel and nonferrous metals.

There is usually a gap, of course, between ideas and reality. The eastern part of the country is taking off, what about the western part? What will the economic situation be in future? For China, a country in which a virtuous economic cycle has not taken shape, the crux lies in the central authorities' effort to work out a scientific program and institute uniform coordination.

State Council Rules on Enterprise Impositions OW0605192788 Beijing XINHUA Domestic Service in Chinese 0745 GMT 5 May 88

[Text] Beijing, 5 May (XINHUA)—Provisional Regulations Banning Unjustifiable Impositions on Enterprises

(Promulgated by the State Council on 28 April 1988)

Chapter I: General Provisions

Article 1: These regulations are formulated to ban unjustifiable impositions on enterprises and to protect their legitimate rights and interests.

Article 2: Impositions referred to in these regu' acts using any methods to require enterprises funds, materials, or manpower not stipulated i regulations.

Article 3: Impositions placed on enterprises by a article 3: Impositions placed on enterprises by a article organizations, PLA units, and other enterprises and by any institutions and other social organizations (hereinafter referred to as units) shall be prohibited.

Chapter II: Prohibition Against All Forms of Impositions Article 4: It is impermissible to go beyond the bounds of laws and regulations to collect the following fees from enterprises:

- 1. School admission fees for children of staff members and workers imposed by local education departments and schools of their own accord:
- 2. Farmland construction and reclamation fees:
- 3. Capitation levied on those people coming to settle in cities:
- 4. A charge for the development of coal gas projects;
- A charge for the supply of electric power during peak hours;
- A toll charged on roads;
- 7. A toll charged on bridges (except for a toll charged on bridges built with specially raised funds or loans);
- 8. Charges for increased drainage capacities;
- Various kinds of administrative fees for public security;
 Various kinds of public health fees;
 Afforestation fees;
 A fee for supporting agriculture;
 Various kinds of fees for meetings
 Other kinds of fees.

If fees must be levied for the construction of support facilities on newly built projects in downtown areas of cities, they shall be collected in accordance with the provisions of related laws or regulations.

Article 5: When collecting the fees stipulated by laws and regulations, no unit shall be allowed to exceed the limits, raise the standards, or change the methods of collection.

Article 6: Enterprises shall not be forced to render support or financial assistance or to donate money or other things.

Money spent by enterprises as support, assistance, or donation of their own accord can only be disbursed from their own funds and shall not be included in cost accounting.

Article 7: Enterprises shall not be forced to purchase negotiable securities or to provide funds in any other way unless otherwise stipulated by laws and regulations.

Article 8: Enterprises shall not be forced to buy any insurance except the compulsory insurance stipulated by laws and regulations.

Article 9: Voluntary labor for public welfare shall not be changed to collection of money or other things from enterprises unless otherwise stipulated by laws and regulations.

Article 10: No other forms of imposition shall be placed on enterprises against the provisions of these regulations.

Article 11: Retaliation on enterprises resisting impositions shall be prohibited.

Acts taking advantage of functions, power, or work to discriminate against those enterprises that have resisted impositions shall not be allowed.

Article 12: Requests made to enterprises for funds, materials, and manpower as decided by the people's governments at various levels in emergency cases resulting from natural diasters and accidents shall not be construed as impositions. However, such requests shall be reported afterward to the people's government at the next higher level for the record.

Chapter III: Rights and Responsibilities

Article 13: Enterprises have the right to reject impositions by any units.

If an enterprise is unclear about the nature of a fee it is requested to pay, it shall report to the financial department of the people's government at the next higher level above the fee-collecting unit and shall pay the fee only after it is confirmed through examination that the collection of the fee is in line with the provisions of a law or a regulation.

Article 14: Within 30 days after receiving the report submitted by an enterprise in accordance with paragraph 2 of Article 13, the financial department shall give a reply as to whether the fee should be paid. Absence of reply within this prescribed period shall be regarded as disagreement to the payment of the fee.

If the enterprise dissents from the reply of the financial department, it may complain to the financial department at the next higher level.

Article 15: Any unit or individual has the right to lodge a complaint about, report, or expose impositions to audit organs or other departments concerned.

Article 16: Audit organs may, together with other departments concerned, investigate the cases of impositions complained about, reported, or exposed, as well as the cases of impositions passed to them by other departments pursuant to the provisions of Article 17. The units under investigation must present the true facts and must not create difficulties for or hamper such an investigation.

Article 17: Planning, financial, price, tax, and banking departments shall strengthen supervision and inspection and shall promptly stop any impositions discovered. If such acts cannot be effectively stopped, they shall be referred to the audit organ, which shall place them on file as cases to be handled.

Chapter IV: Rewards and Penalties

Article 18: When the audit organ has decided that an act is an imposition, it shall notify the imposing unit to stop that act and return the money or other things levied within a prescribed time limit. If the unit fails to return such money or things within the time limit, the audit organ may notify the imposing unit's bank in writing to have a refund made from the unit's deposit with the bank.

If the money or other things levied no longer exist and cannot be retrieved, the audit organ may notify the department concerned to withhold an amount equivalent to the money or costs of the things that have been levied or to take other economic compensatory measures.

Article 19: Supervisory organs or the competent authorities concerned may take appropriate disciplinary actions against the responsible persons of imposing units and their personnel directly responsible for the impositions according to the seriousness of their cases.

Article 20: Those who have violated the provisions of these regulations and retaliated against the units and personnel who have lodged complaints about, reported, exposed, or resisted impositions shall be given heavy punishments. If their cases constitute criminal offenses, they shall be investigated by the judicial organ to determine their criminal liabilities according to law.

Article 21: With regard to private distribution of the money or other things collected, the audit organ shall look into the administrative liabilities of the responsible persons of the units concerned. If their cases constitute criminal offenses, they shall be investigated by the judicial organ to determine their criminal liabilities according to law.

Article 22: The audit organ may commend those personnel who have merits in reporting, exposing, or resisting impositions.

Article 23: Unjustiably levied money or things that have been retrieved shall be returned to the enterprises concerned if the enterprises have reported the cases or lodged complaints about the cases; they shall be turned over to the central financial authorities if the enterprises have not done so.

Article 24: If the imposing unit refuses to accept the audit organ's decision on economic penalty, it may, within 15 days after receiving the notification of the decision, apply to the audit organ at the next higher level for reexamination. Implementation of the original penalty decision shall not be affected during the period of reexamination.

Chapter V: Supplementary Provisions

Article 25: Enterprises referred to in these regulations are those enterprises that have been registered with industrial and commercial administrative organs according to law.

Article 26: Impositions upon state organs, people's organizations, PLA units, institutions, other social organizations (including capital construction units) and individuals shall be dealt with by applying these regulations mutatis mutandis.

Article 27: These regulations shall be put into force on 20 May 1988.

State Council Rules Ban Expense Apportioning OW0605183088 Beijing XINHUA Domestic Service in Chinese 0739 GMT 5 May 88

[Text] Beijing, 5 May (XINHUA)—To ban the practice of apportioning expenses among enterprises, thereby protecting the enterprises' legitimate rights and interests, the State Council recently promulgated "The Provisional Regulation Banning the Apportionment of Expenses Among Enterprises" and issued a circular in this regard calling on the various localities and departments to comply with and implement the regulation.

The State Council regulation is divided into five chapters: General Rules, the Banning of All Forms of Apportionment, Rights and Responsibilities, Rewards and Punishments, and Supplementary Articles. There are 27 articles.

The State Council circular points out that the various provincial, autonomous regional, and municipal peoples' governments and the various departments under the State Council should sort out the various types of expense apportionment which already exist in their areas or departments prior to the promulgation of "The Provisional Regulation Banning the Apportionment of Expenses Among Enterprises" and should immediately abolish all practices that violate this regulation. From now on, when the various localities and departments need to add new items for collection of expenses, they must strictly abide by state laws and regulations.

Rising Prices Prompt 'Panic Buying' HK0905053688 Beijing CHINA DAILY in English 9 May 88 p 1

["Price Rises Start Panic Buying"]

[Text] Rising retail prices have prompted panic buying in many parts of the country over the past few months, resulting in a sharp increase in total retail sales. In the first quarter of this year, the total commodity retail volume increased by 23.1 percent to more than 170 billion yuan. Better than half of the increase was caused by price rises and the resultant buying rush in fear of further rises, Economic Information reported.

In the first three months of this year, the country's total sales of food products increased by 26.1 percent to 87.8 billion yuan while the sales volume of clothes rose by 23.6 percent to 23 billion, the paper reported, quoting the State Statistical Bureau.

Compared with the same period of last year, the retail sales of grain, edible plant oil and eggs increased by 10, 19 and 30 percent respectively because of increased supplies for the New Year holidays and Spring Festival season, the report said.

Other major food products, including pork, aquatic products, sugar and wine, registered an increase of between 5 and 8 percent in retail sales in the first quarter.

But since the beginning of this year, commodity prices have been increasing so sharply that consumers are worrying about more price hikes, the report said.

In some areas of the country, retail markets have been fluctuating as a result of a buying rush for certain goods, especially matches, soap and detergent powder. In the first quarter, the sales of these goods went up far above the usual consumption levels.

Some expensive, durable, consumer goods like colour TV SETS and well-known brands of refrigerators are still short despite the increased supply because incomes have gone up by a big margin.

According to bank statistics, the country's wages and other personal income increased by 21 percent over the same period of last year, creating a greater demand for commodity supplies, the report said.

AFP Reporter Surveys Beijing Food Market HK0905113488 Hong Kong AFP in English 1120 GMT 9 May 88

[By Robert MacPherson]

[Text] Beijing, May 9 (AFP)—Prices of basic foods in the Chinese capital are set to rise next month, vendors in a state-run market here said Monday, but local consumers seem to be resigned to the situation.

"The prices have not risen yet. After June we will know the details," said a pork butcher at busy Hongqiao Market in Chongwenmen district.

He declined to speculate on how big the increases could be. "The government decides the price," he said with a reserve typical of Beijing's 10 million people even in the face of double-digit inflation.

China announced Thursday it was ending price controls on vegetables, eggs, pork and sugar. It also reiterated plans to pay subsidies of up to 10 yuan (2.7 U.S. dollars) a month to most city dwellers to offset any increases.

Precisely when the new policy is to take effect has been left to local governments, the NEW CHINA NEWS AGENCY said. Some cities, such as Shanghai, have already introduced them.

Food prices are soaring in China, up 17.9 percent in January-March over the same period in 1987, with vegetables rising 48.7 percent, the State Statistical Bureau has reported. On Monday the official CHINA DAILY newspaper blamed "panic buying in many parts of the country" for a 23.1-percent surge in first-quarter retail sales, including food, triggered by consumer fears of further price hikes.

Shoppers were hardly knocking over the stalls at Hongqiao Market, and those interviewed Monday seemed fatalistic about the coming round of price increases.

"At present there has not been much reaction because the prices have not yet gone up," said Zhang Chongshan, 32, who earns 250 yuan (68 dollars) a month for himself, his wife, and child at a joint-venture factory.

"Speaking for myself, the increase will be nothing. I can absorb it. But for two people with a joint income of 170 yuan (45 dollars), there will be a reaction," he said.

There were conflicting views of whether consumers were hoarding food. Butchers said no, but one sales-girl said: "People are madly buying eggs and meat. They think the prices will go up."

The average Beijing salary is currently about 100 yuan (27 dollars) a month but has failed to keep up with price increases, despite economic reforms launched by senior leader Deng Xiaoping which have boosted the availability of consumer goods.

Some basic foodstuffs have been rationed for several months in state-run markets but customers can have their pick of quality—at a price.

One Beijing resident is entitled to one kilogram (2.2 pounds) of pork a month, but that kilogram can cost 2.60 to five yuan depending on fat content. The cheap cuts are little more than lard.

"In the mornings, people will line up for good quality meat and it will be sold out by 10:30," one butcher said. The market opens at 7:30 a.m. and there have been no supply problems, he said.

Each Beijing family gets a flimsy blue ration book that allows the n 2.5 kilograms (5.5 pounds), or about 40 to 50 small eggs.

One-half kilogram (1.1 pounds), the usual measure in Beijing markets, costs 1.50 yuan (40 cents), and penny-pinchers can do better by picking eggs with cracked shells.

Vegetables are sold at street stalls outside the market. Good quality tomatoes, cauliflowers and cucumbers are on sale, along with early strawberries and Beijing's ubiquitious cabbage.

Kerbside sympathy is also available. "I hope everyone shall rise up and shout, 'No more price rises'," one cabbage vendor said.

Pork Shortage Expected To Ease This Year HK0705055888 Beijing CHINA DAILY in English 7 May 88 p 3

[By staff reporter]

[Text] Pig raising has begun to pick up around the country with the shortage of pork expected to be eased later this year.

According to a sample survey of 190 major pig-raising counties across the country, farmers have begun raising pigs since the rise in pork prices.

With the increasing demand for keeping piglets, more and more sows have been raised for breeding, the Ministry of Agriculture said in a survey report.

In the first quarter of this year, the number of breeding sows began to increase after declining throughout last year, the report said.

In Jiangsu Province, there were 1.027 million breeding sows by the end of last February, an increase of 20,000 over the figure at the end of September last year. In the suburbs of Beijing, the number of sows more than tripled to 50,000 in the first quarter of this year.

In many areas, including Hunan, Jiangsi and Shandong Provinces, rising prices of pork have stimulated farmers' enthusiasm for pig raising after the State relaxed its control on pig trading and pork sales.

In Shandong Province, for instance, the State purchasing price of pork had been raised by 62 per cent to 2.94 yuan per kilogram in the first quarter while their free market price increased by 61 per cent to 3.05 yuan per kilogram, compared with the same period of last year.

The sample survey, conducted among more than 125,000 farm households in 19 provinces and cities, also shows that beef and mutton production continued to rise with more cattle and goats being raised.

In the first quarter of the year, the production of poultry, eggs and meat in the surveyed areas increased even more rapidly than other sectors of animal husbandry because poultry raising needs only a small investment but yields a quick return.

Meanwhile, according to SICHUAN DAILY, the pork shortage around the country has been slightly eased since the beginning of this year but in some areas the situation is still of concern.

Quoting statistics compiled at a recent national conference on food management held in Chengdu City by the Ministry of Commerce, the paper reported that State commercial departments in 22 provinces, municipalities and autonomous regions had purchased a total of 18.74 million pigs in the first quarter of this year, a drop of 6.3 per cent over the same period of last year.

Export-Oriented Chemical Industry Planned HK0905054088 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 9 May 88 pp 1, 3

[By staff reporters Zhang Yu'an and Shen Feiyue: "Chemical Firms 'Can Answer Zhao's Call'"]

[Text] Qin Zhongda, Minister of Chemical Industry, said recently in a special interview with BUSINESS WEEKLY that China's chemical industry should make full use of the present advantageous international and domestic conditions to develop an export-oriented economy in the coastal areas to answer the call of Party General Secretary Zhao Ziyang's coastal economic development strategy.

Structural adjustment of this sector and its products is considered important, but it is more important to win acceptance of the policy of opening to the outside world among all cadres and workers in this sector, said the minister.

Qin said he plans to develop an export-oriented chemical industry, mainly in China's coastal areas, in the next three to five years.

The industry will implement a policy of high imports and high exports in those areas where China has a strong manufacturing capacity but lacks raw materials, such as tyres, rubber shoes, rubber tubes, transport and transmission belts, emuslion gloves and foam rubber mattresses. Qin said those products are in big demand on the international market and China has already exported them to Southeast Asia and Western and Eastern European countries.

A policy of low imports and high exports will apply to products such as dyestuffs, farm chemicals and some supplementary chemical preparations, in which the country has more or less adequate raw materials. The import of some raw materials will enable China to further develop its production of dyestuffs, farm chemicals, coatings, pigments, oxalic acid, formic acid, phenolic moulding powder and urea-formaldehyde moulding powder, Qin said.

Some inorganic chemical products need no imported raw materials at all. These include vulcanized soda, zinc chloride, phosphoric acid, barium salt and potassium permanganate. So exports of these products will be emphasized in the next few years.

The country will try to develop, as quickly as possible, chemical products to replace those which have mainly been imported from abroad, and thus save on foreign exchange, Qin said.

Qin and his ministry will take measures to encourage foreign counterparts to invest in China and run wholly foreign owned and Sino-foreign equity or contractual joint ventures.

He said the ministry welcomes all foreign business people to invest in China's chemical industry, and will provide them with favourable and convenient conditions to enable them to make profits in China.

To carry out this policy, Qin said the ministry has decided to set up export bases for chemical products in some coastal cities where the chemical industry is relatively well-developed. Expanding the petrochemical industry with imported crude oil and further processing organic chemical materials and intermediates for export will be part of Qin's plan for the establishment of export bases.

In China's coastal areas, many chemical enterprises have a long history and strong technical forces. Last year, the ministry earned a total of \$1.5 billion by exporting more than 900 products to over 100 countries and regions. But the chemical plants in coastal areas alone earned half that amount in foreign exchange for the ministry. Qin is determined to help increase that figure to two-thirds of the total foreign exchange earnings of the ministry in the next three to five years. The ministry will select some old enterprises which have export potentials or favourable conditions, and recommend them to foreign counterparts for co-operation.

By what Qin calls the process of "grafting" advanced foreign technology, managerial expertise and international sales networks onto existing chemical plants in China, the development of the country's chemical industry will be speeded up.

The ministry will give more support to those factories and workshops producing mainly for export. Those which produce half for export or which can earn \$3 million a year from exports will be the lucky ones which get strong support from the ministry for further development, according to Qin.

To develop an export-oriented chemical industry, Qin said, China has favourable conditions apart from the government's consistent policy and cheap labour costs. Some enterprises, for example, have learned how to do

business directly with foreigners. The ministry has set up production bases with improved technology, management, steady and fine product quality and good economic results.

Industrial Salt Shortage Likely To Worsen HK0605071888 Beijing CHINA DAILY in English 6 May 88 p 2

[By staff reporter Oi Hongmin]

[Text] China, rich in salt resources, is suffering from a shortage of salt for industrial use and the situation is likely to become more serious in the next two or three years, CHINA DAILY learned yesterday.

An official from the China Salt Industry Corporation said more than 3 million tons of raw salt needed by industry is in short supply and it is estimated raw salt production this year can meet only 80 percent of the market demand.

The widening gap between supply and demand for salt has led to a sharp decrease of the salt in stock. A survey conducted recently showed that nearly half has been used up in the past five years because of the shortage.

Though relevant departments have racked their brains to solve the problem, production can still hardly meet the soaring demand.

The official complained that the imbalanced development of the salt industry and the salt-based chemical industry should be mostly blamed for the present predicament. In the late 1970s and early 1980s, when the salt industry enjoyed rapid growth with an average output of 19.5 million tons every year, the salt-based chemical industry was experiencing hard times, leaving large amounts of salt in the warehouses.

To reduce overstocking, the salt-administration department had to take measures to limit production. According to satistics, a number of productive sea-salt fields were left unused.

However, until 1983 when the whole industry began a period of high-speed development, the demand for salt increased rapidly. But the salt industry had not grasp the situation and did not increase its production.

The official pointed out that although more than 60 percent of the high-quality, sea-salt fields are located in northern China, only 70 percent are workable.

Insufficient funds for technical improvement in the industry keeps its production backward. At present, many salt producers still use primitive equipment and poor working conditions make people reluctant to join the industry.

In addition, transportation difficulties pose a big obstacle to the development of the salt industry, the official said. In Xinjiang Uygur Autonomous Region, the Inner Mongolia Autonomous Region and Oinghai Province, billions of tons of lake-salt and mine-salt remain untapped.

So, the official proposed that along with the technical improvement of former plants, emphasis should be placed on developing energy in western China to support the open economy in coastal areas.

Moreover, the boom in fertilizer production in the Seventh Five-Year Plan period (1986-90) requires a faster development to guarantee its raw salt supply.

Meanwhile, the official said efforts to seek co-operation with developed countries is underway and various forms of investment and co-operation would be welcome.

East Region

Chang Jiang Water Diversion Plan Proved Feasible HK0605134088 Beijing GUANGMING RIBAO in Chinese 24 Apr 88 p 1

[Report by Zhang Xuejian (1728 1331 0313): "Completed Trial Tunnel Proves Feasibility of Project To Divert Water From Chang Jiang to North China"]

[Text] Can part of the surplus water of the Chang Jiang, with an annual discharge of 1,000 billion cubic meters be diverted through culverts under the riverbed of the Huang He, to north China, which does not have sufficient water resources? The recently completed trial water diversion culvert which passes northward under the Huang He riverbed through Donga County, Shandong Province, has proved the technical feasibility of the key part of this project.

In March 1983, the State Council approved the "Feasibility Study Report on the First Phase of the Eastern Line Project To Divert Water From South to North China." According to this report, the first phase of the project of diverting the water will start somewhere near Yangzhou in the lower reaches of the Chang Jiang, stretch northward along the Beijing-Hangzhou Canal, and reach Dongping Lake at the southern bank of the Huang He. Then, the second phase of the project will divert Chang Jiang water further northward to Tianjin. When designing the first phase project, the designers had to choose between two alternatives-whether the water diversion course would intercept the Huang He on the same level or below its riverbed. After repeated comparison, they decided finally to build three cylindrical culverts which are to run from south to north through the rock stratum 70 meters below the riverbed in Donga County. The culverts will be linked to the open course of the water diversion project by vertical or inclined shafts. After the project is completed, the Chang Jiang water diverted to Dongping Lake will flow through the culverts below the Huang He riverbed at a rate of 600 cubic meters per second and reach the North China Plain.

According to our information, the cross-Huang He culverts are to run through a karstic stratum below the Huang He riverbed. To ensure the safety of the project, the experts involved in the project suggested that a cross-Huang He trial culvert be dug first to find out more details about the geological structure and karstic development along the main riverbed section and to study the feasibility of grouting techniques for the culverts. The Tianjin Survey and Design Institute and the No 5 Project Construction Bureau under the former Ministry of Water Resources and Power undertook the design and construction of this trial culvert. After 21 months of intensive work, the trial culvert now is completed.

The responsible person of the Tianjin Survey and Design Institute recently noted: The cross-Huang He trial culvert survey project has provided detailed information about the geological conditions along the culvert course and proved the technical feasibility of the Weishan cross-Huang He culvert project. What is more, the completed trial culvert, if extended, can be used to divert water from the Chang Jiang whenever there is a need. As a strategic reserve facility, the trial culvert can be put into emergency operation at any time to divert water from south to north China if the North China Plain is facing serious drought.

Fujian To Issue Papers To Visiting Taiwanese OW0805032988 Fuzhou Fujian Ribao in Chinese 22 Apr 88 p 1

[Text] To facilitate Taiwan compatriots coming to the mainland to visit relatives or travel, the Border Defense Bureau under the provincial Public Security Department has decided that effective I May Taiwan compatriots arriving by boat at ports in the province from Taiwan, Penhu, Jinmen, and Mazu will be processed and issued travel certificates directly by the local border defense work stations. The specific measures are as follows:

- 1. Effective 1 May, local port border defense work stations in Fujian will begin issuing "Taiwan compatriot landing certificates" and "Taiwan compatriot travel passes." The border defense inspection stations at state-designated open ports in the province, including Xiamen, Gaoqi, Yixu, Fuzhou, and Quanzhou, will continue to process traveling papers for Taiwan compatriots.
- 2. Taiwan compatriots from Taiwan, Penhu, Jinmen, and Mazu arriving by boat at one of the 14 coastal ports in the province, including Fuding County's Qinyu; Xiapu 'ounty's Sansha; Changle County's Songxia; Pingtan County's Dongwo; Putian County's Xiuyu, Puxi, and Meizhou; Huian County's Chongwu; Quanzhou City's Houzhu; Jinjiang County's Yongning; Xiamen City's Shabowei; Zhangpu County's Jiuzhen; Dongshan County's Chengguan; and Shaoan County's Gongkou; for purposes of visiting relatives and sightseeing and holding valid identification papers, may apply at the local border defense work station for relevant papers. Those arriving by boat at Fuzhou's Mawei may apply at the Fuzhou border defense inspection station.
- 3. Taiwan compatriots arriving by boat at any of the coastal ports in the province, who request to land, visit relatives, or travel within the jurisdiction of the county or prefecture where the port is located, will be issued a "Taiwan compatriot landing certificate" by the local border defense department for said purposes.
- 4. Taiwan compatriots arriving by boat at any of the coastal ports in the province, who want to visit relatives or travel either outside the county or city (prefecture) where the port is located but within the province, or beyond the jurisdiction of the province, will be issued

"Taiwan compatriot travel passes" by either the local border defense work station or the higher-up border defense department accordingly.

5. The local border defense department will coordinate with the reception department concerned to assist in the travel arrangements for Taiwan compatriots arriving by boat at any of the coastal ports in the province to make sure they can return by the same boat on time.

Jiangsu To Improve Transportation Systems OW0705144888 Beijing XINHUA in English 1009 GMT 6 May 88

[Text] Beijing, May 6 (XINHUA)—East China's Jiangsu Province plans to spend 1.4 billion yuan to improve its ground, air and water transportation facilities over the next three years, the Overseas Edition of today's PEO-PLE'S DAILY said.

A total of 2,100 kilometers of highway will be built, improved or expanded, 50 percent more than was completed in the past two years.

The major project is the Nanjing-Shanghai highway, which is costing 460 million yuan and which is scheduled to open in 1990. The road will cut two hours in travel time between the two cities.

This year, the province will open another port, Gaogang, to foreign trade and will add regular passenger services at other ports.

Work to improve Zhenjiang Port has started, the paper said.

Zhenjiang is one of five ports, including Nanjing, Lianyungang, Nantong and Zhangjiagang, already open to foreign vessels. They provide 25 berths for ships of the 10,000-ton class and offer regular passenger services to Hong Kong and Japan.

Jiangsu has eight airports linking with more than 20 airlines. The province intends to expand Nanjing Airport.

Jiangsu Leaders Address Appointment Meeting OW0705030488 Nanjing Jiangsu Provincial Service in Mandarin 2200 GMT 5 May 88

[Excerpts] At a meeting held in Nanjing yesterday, the Jiangsu Provincial People's Congress Standing Committee presented certificates to personnel it appointed on 27 April to serve in the provincial government and organs under the provincial People's Congress Standing Committee.

Present at the meeting were Han Peixin, Gu Xiulian, Chen Huanyou, Fu Hao, Li Zhizhong, Xing Bai, and Yang Youyi, leading comrades of the provincial party committee, the provincial People's Congress, and the provincial government. [passage omitted]

Speaking on behalf of the newly appointed personnel of the provincial government, Governor Gu Xiulian pledged that the provincial government will implement all resolutions adopted by the national and provincial people's congresses and their standing committees, continue to stabilize the economy, carry out more thorough reforms in all fields, speed up export, and promote scientific and technical development. She said the government will consciously accept the supervision of the provincial People's Congress and its Standing Committee, regularly report its work, and solicit their views and criticism as well as their assistance and support.

In his speech at the meeting, Han Peixin, secretary of the Jiangsu Provincial Party Committee and chairman of the Jiangsu Provincial People's Congress Standing Committee, said that serving the people is the common responsibility shared by all provincial authorities. Then he set forth three requirements he said are essential for the newly appointed personnel to be competent servants of the people: First, they must continue learning to make themselves politically and professionally more competent. Second, they must perform their duties honestly and impartially and always take the interests of the people into consideration. [passage omitted] Third, they must hold themselves responsible to the people and subject themselves to the people's supervision.

Jiangsu Governor Attends Flood Prevention Meeting OW0705030188 Nanjing Jiangsu Provincial Service in Mandarin 2200 GMT 5 May 88

[Excerpts] The Jiangsu Flood Prevention Conference came to a close in Nanjing yesterday. [passage omitted]

Examining Jiangsu's flood prevention in recent years, the meeting maintained that leading authorities at all levels and the people share the similar view that water conservancy is important to flood prevention, but that the existing facilities are not without defects although efforts in this regard has been intensified.

The meeting noted that since Jiangsu is located in a belt where southern and northern air currents meet, its climate is quite unpredictable. It is common for people in Jiangsu to see a flood coming soon after a drought, or for them to combat drought in the north and flooding in the south. For this reason, precautionary measures must be taken to prevent floods and droughts at the same time. [passage omitted]

The meeting stressed: As the economy continues to grow, flood prevention in cities has become an increasingly important issue. Flood prevention in cities should be carried out (?under the leadership of mayors). With

urban flood prevention centers as the mainstay, corresponding flood prevention organs should be set up and flood prevention leadership should be centralized.

Governor Gu Xiulian and Vice Governor Ling Qihong addressed the meeting.

The meeting commended 20 collectives and eight individuals for their fine work in combating floods.

Jiangsu Reports Progress in Foreign Trade OW0605193388 Nanjing Jiangsu Provincial Service in Mandarin 2200 GMT 5 May 88

[Excerpts] Since opening its door to the outside world 9 years ago, in recent years in particular, our province has made fairly good progress in developing foreign trade, using foreign capital, importing advanced technology and promoting economic and technical cooperation with foreign countries. This is particularly so in the coastal open cities of Nantong and Lianyungang and the Suzhou-Wuxi-Changzhou economic open zone, which are leading the rest of the province in developing the economy.

The growth of foreign trade is increasing. In 1987, the total export value of the province was in excess of \$2.1 billion, an increase of more than four times compared to 1978. The annual rate of increase is 45 percent, surpassing the annual growth rate of 28 percent in the total industrial and agricultural output value.

Foreign investments have steadily increased every year. In the 9 years since opening to the outside world, the province as a whole has approved 1,002 projects with foreign investment and attracted a total of \$860 million in foreign capital. There are now 194 enterprises of joint Sino-foreign investment and cooperation. Of these, 153, or 79 percent, are production enterprises. Of the latter, 90, or 59 percent, are foreign-exchange earning enterprises or enterprises using advanced technology, a ratio ranking among the top in the country. The province has imported nearly 2,000 projects using advanced technology, elevating the technology and equipment of some old enterprises in one stroke from the level of the 1950's and 1960's to the world's level of late 1970's and early 1980's. This has also enhanced the competitiveness of our products. [passage omitted]

The province has stepped up its friendly contacts and technical and economical exchanges with foreign countries. Economic and technical cooperation with foreign countries has developed from simple export of labor service to the export of technologies, from contracting construction projects to establishing enterprises and farms, and from cooperation with developing countries to cooperation with the lesser of the developed countries. In 1987, the province signed \$27.13 million worth of labor service contracts with foreign countries with a total business volume of \$37.94 million. As of the end of

1987, there were more than 7,000 people working abroad and 13 joint trade ventures were established in foreign countries. [passage omitted]

Shandong Rural Youths Suffer Poor Education SK0905034788 Jinan Shandong Provincial Service in Mandarin 2200 GMT 8 May 88

[Text] According to a sample survey of the province's 1-percent population in 1987 by the provincial Statistical Bureau the province found that the low cultural level of the rural young jobless population was a cause for concern. Of the rural jobless population between the age of 15 and 18 who were interviewed during the investigation, 63.1 percent of them were illiterate or had only the cultural level of elementary school: 10.71 percent of them were illiterate or semi-illiterate, and 52.39 percent of them only had the cultural level of elementary school. The extent of low cultural level of the women jobless population is all the more serious. Of the rural women jobless population between the age of 15 and 18, three-fourths of them were illiterate or semi-illiterate or had only the cultural level of elementary school.

The reasons for the low cultural level of the rural young jobless are as follows: First, along with the development of the rural economy, more and more peasants only pay attention to immediate interests and have no patience for a rich and happy life. Thus they do not let their children go to schools or rather let their children leave their schools before finishing the courses to join in labor work. Second, the shortage of rural middle school teachers is serious, thus preventing more elementary school students to enter middle schools.

Judging from this, the work of arousing the entire society to show concern or attach importance to rural education has become a task of top priority.

Shandong's Liang Buting Opens Exhibition Hall SK0805111288 Jinan Shandong Provincial Service in Mandarin 2200 GMT 7 May 88

[Excerpts] The Shandong Provincial CPC History Exhibition Hall opened at (Wulongtan) Park in Jinan. Liang Buting, Li Jiulong, and Gao Keting cut the ribbon for the opening. [passage omitted]

Lu Maozeng, deputy secretary of the provincial party committee, spoke at the inaugural ceremony. He said: Currently on display at the Shandong Provincial party history exhibition hall are the historical materials that concern the unremitting and brave efforts in development achieved by party organizations in Shandong during the first 16 years after they were established. There are also materials on the history of the revolutionary struggles waged by the Shandong people under the leadership of party organizations. These historical materials are very valuable to us, the successors, who are engaged in socialist modernization. From these materials, people will understand how the achievements of today have

been scored and will enhance their communist ideals and beliefs; carry forward the revolutionary spirit of the elder generation; learn from the experiences of the revolutionary martyrs gained with their lives and blood; unswervingly implement the party's line, principles, and policies adopted since the 3d plenary session of the 11th party Central Committee in the new situation of reform and opening up; adhere to the central task and the two basic points; and strive to realize the fighting tasks set forth by the party Central Committee.

Comrade Peng Zhen wrote an inscription for the exhibition hall. He Quoqiang, Standing Committee member of the provincial party committee and secretary of the Jinan City party committee, presided over the inaugural ceremony. [passage omitted]

Shanghai People's Congress Session Closes

Mayor, Vice Mayors Meet Press OW0805022688 Shanghai JIEFANG RIBAO in Chinese 1 May 88 p 2

[Text] After the close of the First Session of the Ninth Shanghai Municipal People's Congress yesterday afternoon, Mayor Zhu Rongji held a press conference, introduced Vice Mayors Huang Ju, Gu Chuanxun, Liu Zhenyuan, Ni Tianzeng, Xie Lijuan, Zhuang Xiaotian, and Ni Hongfu to the press, and answered reporters' questions.

Bulletins Released

OW0805022288 Shanghai JIEFANG RIBAO in Chinese 1 May 88 p 2

[Text] Bulletins of the Shanghai Municipal People's Congress

Bulletin No 1

Chairman, vice chairmen, secretary general, and members of the Standing Committee of the Ninth Shanghai Municipal People's Congress were elected by the First Session of the Ninth Shanghai Municipal People's Congress respectively on 25, 28, and 29 April 1988.

Chairman: Ye Gongqi

Vice chairmen: (In the order of the numbers of strokes in their surnames) Wang Chongji [3769 1504 1015], Ye Shuhua [0673 0647 5478], Hua Liankui, Liu Nianzhi, Liu Jingji, Sun Guizhang, Li Jlagao [2621 1367 6964], Chen Tiedi, Zhao Zukang, Tan Jiazhenr

Secretary general: Shen Minkang [3088 2404 1660]

Members: (In the order of the numbers of strokes in their surnames) Yu Yi [3769 3354], Ma Da [7456 6671], Ma Renbin [7456 0086 2430], Wang Naili [3769 0035 4721], Wang Jinsheng [3769 6855 5116], Wang Hongxi [3769 3163 3855], Wang Haochun [3769 3185 7402], Jin Qingfang [0064 1987 5400], Ge Yuekuan [2047 1878 1401], Deng

Peixin [6772 0160 9515], Ba Zhongtan, Shi Bin [4258 2430], Xing Zhikang [6717 5267 1660], Qi Naikuan [7871 0035 1401], Jiang Rong [3068 2837], Xu Wensi [6079 2429 1835], Sun Daolin [1327 6670 5259], Yan Qi [0917 3825], Yang Daiwei [2799 0108 5524], Yang Fuzhen [2799 1381 3791], Li Kelin [2621 0344 7792], Li Guoheng [2621 0948 5899], Li Xinzhou [2621 2450 3166], Li Jiakang [2621 0857 1660], Wu Minhua [0702 2404 5478], Shen Baozhi [3088 0202 2535], Zhang Hanzi [1728 3352 3320], Zhang Siming [1728 1835 2494], Zhang Chongchao [1728 6850 6389], Lu Ming [7120 2494], Chen Xintian [7115 1800 3944], Chen Jiangtao [7115 3068 3447], Chen Deming [7115 1795 2494], Lin Wenjin [2651 2429 6651], Lin Bingqiu [2651 3521 4428], Zheng Ci [6774 1964], Meng Shumo [1322 2885 2875], Hu Ronghua [5170 2837 5478], Pang Shuchun [6614 2885 2504], Nie Guangda [5119 0342 6671], Qian Yongyi [6929 3057 4135], Xi Xinxiong [1153 1800 7160], Cao Sen [2580 2773], Huang Yuejin [7806 6460 6855], Tu Yongliang [1458 3057 5328], Jiang Rugao [55992 1172 7559], Han Xuezhang [7281 1331 4545], Qiu Shaoheng [5941 0508 1854], Pan Jieren [3382 0094 0086]

Bulletin No 2

The First Session of the Ninth Shanghai Municipal People's Congress elected the followings respectively on 25 and 28 April 1988:

Mayor of Shanghai Municipality: Zhu Rongji

Vice mayors of Shanghai Municipality: (In the order of the numbers of strokes in their surnames) Zhuang Xiaotian [8369 2556 1131], Liu Zhenyuan, Gu Chuanxun [7357 0278 6064], Ni Tianzeng, Ni Hongfu [0242 7703 4395], Huang Ju, Xie Lijuan

Bulletin No 3

The First Session of the Ninth Shanghai Municipal People's Congress elected on 25 April 1988 Gu Nianzu President of the Shanghai Municipal Higher People's Court.

Bulletin No 4

The First Session of the Ninth Shanghai Municipal Peoples' Congress elected on 25 April 1988 Shi Zhusan chief procurator of the Shanghai Municipal People's Procuratorate. The election has been reported to the chief procurator of the Supreme People's Procuratorate, who will submit the election for approval by the NPC Standing Committee.

The First Session of the Ninth Shanghai Municipal People's Congress approved on 30 April 1988 the namelists of chairmen, vice chairmen, and members of the Legal Affairs Commission; Finance and Economic Commission; Education, Science, Culture, and Public Health Commission; and Urban Construction Commission of the Ninth Shanghai Municipal People's Congress. The names are as follow:

Legal Affairs Commission

Chairman: Hua Liankui

Vice chairmen: Lu Ming, Qiu Shaoheng, Han Xuezhang

Members: (In the order of the numbers of strokes in their surnames) Qi Naikuan, Zhang Hanzi, Jiang Rugao

Finance and Economic Commission

Chairman: Li Jiagao

Vice chairmen: Pang Shuchun, Li Jiakang, Meng Shumo

Members: (In the order of the numbers of strokes in their surnames) Wang Hongxi, Wang Yanghao, Jin Qingfan, Shi Bin, Xu Wensi, Yang Daiwei, Chen Deming Nie Guangda

Education, Science, Culture, and Public Health commission

Chairman: Tan Jiazhen

Vice chairmen: Xi Xinxiong, Ma Da, Yu Yi

Members: (In the order of the numbers of strokes in their surnames) Wang Naili, Ge Yuekuan, Sun Daolin, Zhang chongchao, Chen Xintian, Lin Wenjin, Hu ronghua, Qian Yongyi

Urban Construction Commission

Chairman: Sun Guizhang

Vice chairmen: Cao Sen

Members: (In the order of the numbers of strokes in their surnames) Ma Renbin, Yan Qi, Yang Fuzhen, Chen Jiangtao, Tu Yongliang

[Signed] Presidium of the First Session of the Ninth Shanghai Municipal People's Congress 30 April 1988

Central-South Region

Record Number of Contracts Signed at Guangzhou HK0605072288 Beijing CHINA DAILY in English 6 May 88 p 1

[By'staff reporter Chen Qu]

[Text] Guangzhou—The 20-day Chinese Export Commodities Fair ended here yesterday with a record high \$5.21 billion worth of contracts signed.

Almost all the 17 trading delegations at the fair increased their business transactions over last year's spring fair.

The most popular items at the fair were grains, canned food, beer, colour television sets, electrical fans, paper, glassware, cotton and cloth, silk, cashmere, jewellery, small tractors, iron alloy, steel, copper, hardware, firecrackers a 1 Chinese medicines.

According to a spokesman at a news conference, businessmen from Hong Kong and Macao made the biggest deals at the fair in terms of value, followed by traders from the European Economic Community (EEC), Japan, the United States and oil producing countries in the Middle East and Africa.

More than 35,410 businessmen from 111 countries and regions, compared with 26,630 in the last spring far, came to the 1988 fair.

Among these visitors, most were from Asia, 30,213; followed by those from Europe (2,629), America (2,005), Oceania (366) and Africa (202).

Quite a number of Taiwan businessmen came to this far, but the spokesman declined to give the exact figure. He pointed out that China would welcome direct trade with Taiwan and the fair was well prepared to send direct invitations to these businessmen.

One marked trend at the far was that traders from EEC countries are buying more Chinese products. The spokesman said this was the result of the good international market, continued economic growth in these countries and the appreciation of the Japanese yen.

He described trade between China and EEC as "potentially great" and that China hopes to see more businessmen from EEC countries in future fairs.

This year's spring fair came at a time when the country embarked on its first year of developing an exportoriented economy in its coastal areas and deeper structural reforms in the foreign trade system.

The foreign trade system reforms were highlighted by this year's contracting with the central government by each province, autonomous region, municipality and cities enjoying provincial status.

This contracting has brought into play the eagerness of these contractors in exporting more of their products, according to the spokesman. They prepared an estimated extra \$1 billion worth of goods since the opening of the fair on April 15.

Defense Goods Do WellOW0705081788 Beijing XINHUA in English
1335 GMT 5 May 88

[Text] Guangzhou, May 5 (XINHUA) — The defense industry sold 250 million U.S. dollar worth civilian goods at the spring session of the 1988 Guangzhou Export Commodities Fair which ended today. This was up 47 percent over the 1987 spring session, said an organizing official, adding that the best sellers included refrigerators and gearshift bicyles.

China's defense enterprises, built over the years prior to 1979 at 200 billion yuan (54 billion U.S. dollars) in total, have the country's best industrial equipment and personnel.

The current policy encourages such enterprises to produce civilian goods as military orders have shrunk because of a cut in the size of the Army.

Foreign Investments Boost Guangdong Economy OW0505121088 Beijing XINHUA in English 0606 GMT 5 May 88

[Text] Beijing, May 5 (XINHUA)—About five billion U.S. dollars in foreign investment has been ploughed into south China's Guangdong Province over the past nine years, "PEOPLE'S DAILY" said today.

The investments represent 40 per cent of the total China has received.

It is estimated that the foreign investment can help the province boost its output value by 50 billion yuan (13.5 billion U.S. dollars), the paper said.

The foreign-invested sector now employs more than one million workers and accounts for about 10 percent of the province's total industrial and agricultural output.

The province has two-thirds of all joint ventures, cooperative enterprises and whole foreign-invested factories set up in the country.

Guangdong Nationality Solidarity Awards Meeting HK0505103588 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 4 May 88

[Text] The Guangdong awards meeting of the first national rally to commend the advanced collectives and advanced figures in making progress in nationality solidarity was held in the Guangdong Building this morning. Leading comrades, including Ye Xuanping, Wang Ning, Yang Deyuan, Luo Keming, Li Chen, and Ling Botang, attended the meeting.

Our province's representatives attending the national rally to commend progress in nationality solidarity total 12 people, 5 of whom have gone to Beijing to attend the rally. Entrusted by the State Council, this morning, the provincial government awarded prizes to the seven representatives of our province who had not gone to Beijing to attend the rally.

Vice Governor Ling Botang spoke at the awards meeting. In his speech, he put forward three points of views on how to implement the spirit of the national rally to commend progress in nationality solidarity and how to further promote the nationality work of our province.

- 1. It is necessary to seriously study the important speech: "Struggle To Invigorate the Chinese Nation", delivered by Comrade Zhao Ziyang at the rally. We must define the basic policy and tasks of nationality work.
- 2. The nationality areas must adhere to the policy of reform and opening up, use reform to guide the overall situation, and in accordance with their own conditions and strong points, gradually develop the commodity economy and recruit the qualified personnel and import technology from the developed regions so that they can solve the problems of casting off poverty and getting rich this year and next year.
- 3. It is essential to further enforce the law on the regional autonomy of minority nationalities.

Zhuhai Working To Improve Investment Conditions OW0705152488 Beijing XINHUA in English 1140 GMT 6 May 88

[Text] Zhuhai, May 6 (XINHUA) — Zhuhai Special Economic Zone has planned still more effort to improve local investment conditions.

According to Mayor Liang Guangda, the zone will see to it that the preferential treatment to investors is fully implemented, and unreasonable charges imposed on foreign-funded firms removed.

Liang said the zone will set up special organizations while reforming government bodies to cater to international practice.

The construction of transport, energy supply and capital installations is being speeded up, he said.

A power station with an installed capacity of 400,000 kw is being built to add to the present capacity of 150,000 kw.

A 15-meter-wide highway linking Zhuhai and Guangzhou, capital of Guangdong Province, will be put to use by the end of this year.

Port facilities are being improved to expand both oceangoing and inland navigation, Liang said.

Hainan Leader Pledges Watch on Environment OW0905060888 Beijing XINHUA in English 1122 GMT 8 May 88

[Text] Haikou, May 8 (XINHUA) — As Hainan Island develops its economy, it needs to keep a close watch on protecting the environment, Liang Xiang, top leader of the Hainan provincial government, says.

Liang said work is now under way to draft laws on environmental protection in developing the cities and other regions of the island.

The state and local government has allocated 180,000 yuan for an environment plan of the island, which is situated on the southern tip of China.

The island, China's second largest, has proportionately more animals and plants than any other part of the country. Its natural resources are largely unexploited.

In recent years the island has approved 15 local ecological protection rules and regulations. Another 16 are in the making and will cover construction projects and sewage treatment.

The provincial People's Congress will issue regulations to protect natural and water resources and control noise pollution.

The Haikou City government is trying to reduce air pollution, the three wastes (waste gas, waste water and industrial residue) and to create a system of greenbanks. The city will spend 11 million yuan upgrading five drainage works this year.

The Hawaii Environment Protection Research Center of the United States will help Sanya City make the city's overall environmet protection plan to turn it into a first-rate tourist center.

Hainan Needs To Build Financial Base OW0905054688 Beijing XINHUA in English 1114 GMT 8 May 88

[Text] Haikou, May 8 (XINHUA) — The new Hainan Province will have to concentrate on building up a financial base to get the money it needs to fulfill its economic aims.

According to Han Haijing, head of the preparatory group of the Hainan branch of the People's Bank of China, 200 billion yuan will be required if the island's annual gross national product is to reach 2,258 U.S. dollars per capita by 2005 as the development plan envisions.

"It is really an arduous task to raise so big a sum since Hainan's present GNP is no more than five billion yuan and its financial business is backward," said Han.

Han said the province will approach lenders within China and without to raise the funds it needs.

The Hainan banking community is to include stateowned, collectively-owned, shareholders-owned banks, foreign bank offices, investment and trust companies and leasing companies. Two shareholder-owned financial companies on the island are negotiating with the province about starting business and the Hong Kong Nanyang Commercial Bank, Ltd. has decided to set up a branch on the island. Proposals have been received from banks in France and Japan to open branches, also.

Han said a financial company owned by Overseas Chinese will be established in Wenchang County, the ancestral home of 1.7 million Overseas Chinese.

As first steps in developing the financial sector, the province set up the Hainan Inter-Bank Borrowing and Lending Company last January and a foreign exchange regulating center last October, Han said.

Hainan Infrastructure Development Plans Progress OW0605183588 Beijing XINHUA in English 1521 GMT 6 May 88

[Text] Haikou, May 6 (XINHUA)—Plans to build up the infrastructure on Hainan Island, China's newly made province, are proceeding satisfactorily, according to local officials.

Two 25,000-kw power generating units have already started operation recently at Macun Power Station, near the capital city of Haikou. Two others, each with a generating capacity of 50,000 kw, will go into production in August and November this year, respectively.

In the second phase of the Macun project, which is intended to ease severe power shortages, two 125,000-kw units will be built by contractors from Shanghai and Hong Kong.

In addition, the local government is planning to build a power plant with an annual generating capacity of 300,000 kw at Qinglan Port. Another power plant with a capacity of 700,000 kw will be jointly built by the Ministry of Water Resources and Electric Power and the local government at Yangpu Industrial Development Zone.

Two telephone exchange centers, one with 2,000 lines and the other with 5,000 lines, will be come into operation in July and October this year. Work on some 350-line trunk-line exchanges, a satellite ground receiver and an optical fiber cableline are well under way.

The number of computer-controlled telephone lines in Haikou will reach 70,000 lines by 1995, according to local officials.

Construction of the Fenghuang International Airport at Sanya is in full swing and is expected to be completed within the coming two and [a] half years.

Liang Xiang on Development of Hainan HK0605101988 Hong Kong TA KUNG PAO in Chinese 5 May 88 p 5

[Article by staff reporter Wang Wei (3769 5633): "Liang Xiang Talks About the Development of Hainan Province"]

[Text] Eight years ago, Liang Xiang, deputy secretary of the (Preparatory) Work Committee for the Establishment of Hainan Province, worked hard to set up the Shenzhen Special Economic Zone. Now, he is working hard for the establishment of the Hainan Special Economic Zone.

What are the differences and similarities between the present situation in Hainan and that in Shenzhen 8 years ago? Liang Xiang, head of a Hainan provincial delegation that is currently visiting Hong Kong, granted an interview to this reporter last night at a banquet sponsored by the Preparatory Committee of the Hong Kong Hainan Compatriots' Association in celebration of the establishment of Hainan Province.

Liang Xiang said: "Hainan Province is different from Shenzhen. Hainan is large, its situation is complicated, and its basic facilities are not good. These are the difficulties it is encountering. But it also has favorable conditions, such as rich natural and labor resources and relaxed policies."

To provide a more attractive environment for foreign investments, he said, it is necessary to start work in Hainan with the construction of basic facilities, including power stations, the energy industry, communications, and transportation.

"It has been estimated that the shortage of electric power in Hainan will be greatly alleviated in the latter half of next year. Undertaken by the Hong Kong International Investment Company and the relevant department of the Shanghai Municipal Government, the construction of two 125,000-kilowatt thermal power stations in Macun, near Haikou City, started in January this year. They will be put into operation in June or July next year. Investments in these two power stations total \$75 million.

Electric power is the foundation of industry. Hainan Province will therefore start its construction by building power stations. Liang Xiang remarked: "The plan for the construction of a 600,000-kilowatt thermal power station near Yangpu harbor has been completed initially. Efforts will be made to start its construction in the latter half of this year. As estimated, the construction will take 2 and 1/2 years. The construction of this power station will be jointly undertaken by Hainan Province and the central departments in charge of water and energy resources. We believe there will be a change in the shortage of electric power in Hainan Province later."

Liang Xiang pointed out that direct telephone links from Hainan to Kong Kong are still inadequate; it still does not have easy means of telecommunications. He emphasized that the improvement of conditions for telecommunications should start in Haikou and Sanya Cities. He added: "The installation of 1,000 program control telephones in Haikou will start by the end of September this year. As planned, 5,000 program control telephones will be installed in the city by the end of this year. Apart from these, 2,000 program control telephone sets will be transported from Zhuhai and installed in Sanya around June. Thus, direct telephone dialing from Haikou and Sanya to Hong Kong, some foreign countries, and some cities in China will be made easier. This will greatly facilitate the contacts between Hainan Province and the rest of the country and the world."

Liang Xiang frankly admitted that Hainan's construction requires a large amounts of funds. There are three sources of funds, that is, loans provided by banks for Hainan, foreign investments in Hainan, and state-allocated funds. He stressed that the main source of funds is foreign investments.

During its 10-day visit to Kong Kong, the Hainan Provincial delegation, headed by Xu Shijie, Liang Xiang, and Wang Yuefeng, will make wide-ranging contacts with people from all walks of life in Hong Kong to explain the situation in Hainan and encourage more foreign investments for the development of the province.

Henan Province Issues 'Urgent' Farm Circular HK0505110188 Zhengzhou Henan Provincial Service in Mandarin 1130 GMT 3 May 88

[Excerpts] Yesterday, the provincial government issued an urgent circular, demanding that all places do a good job in preventing and curing wheat diseases and insect pests and combating drought and strive for a good harvest of summer grain and spring-sown crops this year.

The circular points out: Since the beginning of winter, all places have vigorously begun middle-stage and final-stage wheat field management and the growth of wheat has markedly improved. However, plant diseases and insect pests have occurred recently and successively. [passage omitted]

The circular says: Governments at all levels must pay great attention to this situation and seriously solve the problems and not slacken vigilance. They must overcome the idea of leaving things to chance and fight the battle of wheat production well. The principal leading comrades must personally grasp this work, exercise unified leadership, make arrangements and carry out prevention and cure in a unified way, and fulfill their tasks at the scheduled time. They must organize cadres to go deep into the grass roots to solve the practical problem? [passage omitted]

The circular stresses: Support-agriculture departments at all levels must be eager to meet the needs of the peasants and really do well in allocating and supplying materials for agricultural use. [passage omitted]

Henan City, Counties Unite for Efficiency OW0805044388 Beijing XINHUA in English 1018 GMT 6 May 88

[Text] Beijing, May 6 (XINHUA) — The decision made four years ago to let large urban centers incorporate surrounding counties into a single administration has proven effective in getting the economy moving, the "ECONOMIC DAILY" reported today.

The paper cited the example of Zhengzhou, capital of Henan Province, which began to administer six counties in 1983.

Since then the output of the city and counties has grown 53 percent to reach 12.89 billion yuan (3.48 billion U.S. dollars) last year.

Now the city's urban and rural areas are better coodinated, the paper said.

The city has provided technical help in the form of 1,670 projects and 4,100 trained person all and has given financial support — 640 million yuan (173 million U.S. dollars) — over the past four years.

The rural areas have signed more than 3,800 contracts in technical cooperation. These are expected to increase output value 1.02 billion yuan (276 million U.S. dollars) a year.

Rural industry output has grown at an annual rate of 49 percent. Of the 28 minerals found in the rural areas, 24 are being exploited. Coal output last year reached 5.5 million tons, an eight-fold growth over 1983.

Last year, 210 township-run enterprises exported 230 varieties of goods worth 50 million yuan (13 million U.S. dollars), accounting for 18 percent of the city's total. The production was double that of 1984. The improved coordination of resources has allowed many urban factories to solve problems of space, labor and raw materials and demonstrate higher efficiencies.

Over the past four years, the output value of 832 industrial enterprises increased by 220 million yuan (59.5 million U.S. dollars) without a single cent of additional investment in capital or equipment.

The old belief that cities should be engaged in industry and countryside in agriculture no longer applies in Zhengzhou where the barriers between city and countryside are rapidly being removed. 'Worst Drought in 100 Years' Hits Hubei Province OW0805113488 Beijing XINHUA in English 1146 GMT 7 May 88

[Text] Wuhan, May 7 (XINHUA) — Hubei Province, one of China's grain, cotton and oil-bearing crop bases, is experiencing the worst drought in 100 years.

The drought is affecting 1.3 million hectares of farmland and leaving 1.3 million residents desperate for drinking water, a provincial government report said.

At an emergency meeting yesterday, combating drought was listed as the province's No. I task in present economic work.

Since April, Hubei experienced province-wide hot weather, with its rainfall dropping down to 31 mm., the scarcest in 100 years.

Temperature for most areas has kept at 38 degrees centigrade and some places even higher, according to meteorologists.

So far, early rice is yet to be planted on 238,666 hectares due to water shortage. Also affected are 400,000 hectares of wheat in the milk.

The water level of the Hubei section of the Yangtze River is too low for irrigation and many rivers and ponds have dried up.

Government employees in the provincial capital will go to rural areas to help fight the drought and part of the power supplies originally meant for industrial use has been re-assigned for agricultural purpose.

Diesel oil, chemical fertilizer, funds, rolled steel and water pipes have been allocated to ensure the success of the fight.

Hunan Congress Standing Committee Meets HK0705084488 Changsha Hunan Provincial Service in Mandarin 2200 GMT 3 May 88

[Text] The third plenary meeting of the second session of the seventh provincial People's Congress Standing Committee was held yesterday morning. A number of reports were read at the meeting including: A report by (Zhao Zhifang), general secretary of the provincial People's Congress Standing Committee explaining the draft rules and regulations for Hunan Provincial People's Congress Standing Committee work; a report by (Han Jiangzheng), director of the Legality Commission under the provincial People's Congress, on the results of examining and discussing the draft rules and regulations for Hunan Provincial People's Congress Standing Committee work; a report by (Meng Chuanzhi), deputy general secretary of the provincial People's Congress Standing Committee

explaining the Hunan Provincial People's Congress Standing Committee's draft on problems relating to the First Changde City People's Congress.

Vice Chairman Luo Qiuyue presided over the meeting. Present at the meeting were Chairman Liu Fusheng, Vice Chairmen Huang Damqi, Li Tiangeng, Chen Xinmin, Xie Xinying, (Huang Wenyu), (Liu Yue) and (Lu Yuchang). Qi Shouliang, former vice chairman of the sixth provincial People's Congress Standing Committee; and (Qi Zhengying), chief procurator of the provincial People's Procuratorate attended as observers.

Southwest Region

Guizhou CYL Delegates Attend National Congress HK0705083488 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 2 May 88

[Text] The province's representatives, for the 12th CYL National Congress in Beijing, left from Guiyang by plane yesterday afternoon.

Before their departure, Provincial Party Committee Secretary Hu Jintao, Deputy Secretary Ding Tingmo, and Vice Governor Zhang Shukui, who is also a member of the provincial party committee Standing Committee, visited all representatives in their homes. They urged the delegates to attend the forthcoming meeting with all earnestness and to bring back fresh CYL work experiences to create a new situation in our province's CYL work.

The 40-member provincial delegation is composed of 28 professional CYL cadres, 12 advanced collective and individual representatives, 16 minority nationality representatives, and 10 female representatives. [figures as heard]

Guizhou Leaders Hear Nationality Unity Report HK0605115188 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 2 May 88

[Text] Yesterday afternoon, Hu Jintao, Wang Chaowen, Liu Zhengwei, Long Zhiyi, Su Gang, Liu Hanzhen, Zhang Yuhuan, Miao Chunting, Jiao Bin, and other provincial party, government, and military leaders met in Guiyang with the 24 representatives of the province who had returned from the first national meeting to recommend advanced collectives and individuals in promoting nationality unity and progress. The leaders encouraged them to make fresh contributions to the rejuvenation of Guizhou's economy.

At the meeting, (Wang Ancheng), head of the representatives, reported to our province's party, government, and military leaders on the grand occasion of the meeting. Other representatives said: The meeting is a major event in the political life of the whole nation as well as that of the people of all nationalities in our province. They unanimously decayed that they will seek to

implant the spirit of the meeting, adhere to the policies of carrying out reform and opening up to the outside world, safeguard the unity of our various nationalities, and vigorously promote economic and cultural development in the minority areas of our province in order to contribute to the rejuvenation of Guizhou's economy.

Provincial party committee Secretary Hu Jintao said at the forum: The recommendation meeting shows that the party Central Committee and the State Council attach great importance to our work among the minority nationalities. Impelled by the meeting, we should take a step forward in the cause of promoting nationality unity and progress. In keeping with the actual conditions in our province, we must study concrete measures to further economic development in the minority areas and to lend substantial assistance and support to the ethnic minorities and the minority areas of our province in the political, economic, and cultural fields as well as in labor power, material resources, and financial capacity. With continued effort by the province's cadres, efforts to educate the people of our various nationalities should continue. Such education should include the party's national policies and the Marxist viewpoint on ethnic minorities. Meanwhile, we must conscientiously enforce the law of regional national autonomy, increase the vitality of our province's minority areas, promote the independent development of these areas, and help these areas to make full use of their assests and to strengthen their economic and technological ties with other areas. In doing so, contributions to the rejuvenation of Guizhou's economy will be made.

Exports End Sichuan Mountain Farmers Poverty OW0805115588 Beijing XINHUA in English 0757 GMT 7 May 88

[Text] Chengdu, May 7 (XINHUA)—The farmers of mountainous Nanchong Prefecture and Guangyuan County in northern Sichuan Province were once so poor they could hardly feed themselves.

Now they are turning their attention to feeding others by exporting agricultural products — and they are finding the new way is ending their long years of poverty.

Since 1985 they have developed 70 products for export including oranges, tangerines, edible fungus, dried pepper, Chinese pharmaceuticals and silk cocoons. Most are exported to Japan and Southeast Asian countries.

The export volume was 6,360 tons last year.

The farmers have also begun repeated processing on export goods to raise their competitive power in the international market. The fine processed silk exported last year was worth 55 million U.S. dollars.

Sichuan City Increases Industrial Output OW0805112188 Beijing XINHUA in English 1204 GMT 7 May 88

[Text] Chongqing, May 7 (XINHUA)—Chongqing yielded 1.5 billion yuan in gross industrial output in the first quarter of this year.

The figure represents a 19.78 percent increase over the same period of 1987, XINHUA learned.

The city is pioneering China's urban economic reforms.

Sichuan Family Planning To Stress Education OW0705151888 Beijing XINHUA in English 1217 GMT 6 May 88

[Text] Chengdu, May 6 (XINHUA)—Officials at Chengdu's Family Planning Training Center plan to make full use of available teaching facilities this year.

Located in China's most densely-populated Sichuan Province, the center was founded in 1979 under an agreement signed between China and the United Nations Fund for Population Activities.

During the past five years, the center has trained 700 officials from all over the country and expects to train even more this year by offering more classes and inviting foreign experts in the field to lecture on the latest birth control information.

Sichuan Prefecture Suffers 'Severe Drought' HK0905063688 Chengdu Sichuan Provincial Service in Mandarin 0915 GMT 5 May 88

[Excerpts] Station reporter (Guo Yuanping) has just learned that over the past few days, there has been a heat wave in the eastern part of Sichuan, and Wanxian Prefecture has been suffering from a very severe drought. [passage omitted]

Such an exceptionally serious drought is rare for Wanxian Prefecture, and it has been going on for more than 7 months. [passage omitted]

More than 1.7 million people in the prefecture are finding it difficult to obtain drinking water. The prefecture has suffered a drop in the output of spring-harvested crops and [words indistinct]. The prefecture has been unable to carry out spring farming. The drought is still going on.

In the face of the serious drought, the Wanxian prefectural party committee and administrative office have demanded that cadres at all levels concentrate their energies on the work of fighting the drought, protecting and maintaining proper seedling growth, replanting, and helping to tide the people over the natural disaster. [passage omitted]

The Wanxian prefectural party committee and prefectural administrative office have so far sent four anti-drought work teams to Yunyang, Fengjie, Wushan, and Wuxi, which are afflicted with severe drought. The teams are helping local people to fight the drought and promote spring farming. The prefecture has so far appropriated a special sum of 300,000 yuan and allocated 200 tons of diesel oil and 300 tons of gasoline for fighting the drought. In addition, the prefecture has appropriated a sum of 700,000 yuan as a civil administration relief fund and allocated 2.1 million jin of relief grain.

Tibetan Captial Holds Commendation Rally HK0905055288 Lhasa Tibet Regional Service in Mandarin 1330 GMT 4 May 88

[Excerpts] The first Lhasa City rally to commend the advanced collectives and advanced individuals in making progress in nationality solidarity ceremoniously opened in the hall of the city party committee on 3 May. Representatives of 26 advanced collectives and 128 advanced individuals in nationality solidarity of all nationalities and various circles throughout the city arrived and lined up in front of the hall of the city party committee. There, leading comrades of the city party committee and government, including Suo Jia, Luoga, and Gao Shizhen, personally pinned flowers of honor on the representatives and individuals' breasts. [passage omitted]

Gao Shizhen, deputy secretary of the city part, mmittee and chairman of the city People's Congress, announced the opening of the first Lhasa City nationality solidarity commendation rally. Comrade Luoga, the mayor, delivered the opening speech. [passage omitted]

He demanded: While exchanging their experiences, aiming at the fact that a small number of splittists tried in vain to split our motherland and to sabotage nationality solidarity, the representatives at the rally must vigorously put forward on their own initiative their suggestions on and experiences in safeguarding the unification of our motherland, opposing separatism, and improving nationality work. We must turn this rally into a rally of unity and progress as well as a rally of invigorating the economy of Lhasa.

Leading cadre of the Lhasa City party, government, and Army attended the rally on 3 May. Basang, deputy secretary of the regional party committee; Gyibug Puncog Cedain, vice chairman of the regional people's government; and responsible comrades of the departments concerned, including the Propaganda Department of the regional party committee and the regional Nationality Affairs Commission, attended the rally to extend greetings.

Gyibug Puncog Cedain spoke at the rally. [passage omitted] He said: Since last year, a small number of splittists have gone against the historical trend, run counter to the basic interests of the Tibetan people,

created disturbance, and sabotaged unity. Their crime has evoked the Tibetan people's strong repugnance. In the struggle against separatism, the cadres and the masses of all nationalities and various circles of Lhasa have taken a firm and clear-cut stand. We can confidently say that Lhasa's nationality solidarity can stand any tests.

At the commendatory rally, Vice Chairman Gyibug Puncog Cedain put forward four demands on the people of Lhasa in carrying forward the glorious traditions of safeguarding the unification of our motherland and strengthening nationality solidarity, in adhering to the policy of reform and opening up, and in invigorating the nationality economy and culture.

- It is necessary to continuously and seriously implement the party's basic line, to persistently safeguard the unification of our motherland and nationality solidarity, and to do Lhasa's nationality work even better and more successfully.
- It is essential to continuously implement the party's nationality policy, to do well in regional autonomy of minority nationalities, and to develop and strengthen the nationality solidarity force.
- 3. It is imperative to adhere to the policy of reform and opening up and to invigorate the Tibetan economy.
- 4. It is necessary to further publicize the idea that the Han nationality cannot be divorced from the minority nationalities and that the minority nationalities cannot be divorced from the Han nationality and to consolidate and develop the nationality solidarity work. The cadres, staff members, workers, and masses of all nationalities must unite together, respect, trust, and support one another and give full play to their own strong points and specialities.

Ngapoi, Banqen Meet Tibet Regional Delegation HK0905060288 Lhasa Tibet Regional Service in Mandarin 1330 GMT 5 May 88

[Text] On the morning of 3 May, Ngapoi Ngawang Jigme and Banqen Erdini Qoigyi Gyaincain, vice chairmen of the NPC Standing Committee, met at the guest house of the State Nationalities Affairs Commission all of the members of the Tibet regional delegation to the national commendation conference on unity and progress of all nationalities. The officials urged the delegation to implement conscientiously the spirit of the meeting and make fresh contributions to the unity of the people of the Tibetan and Han nationalities through their exemplary deeds.

Regional party committee Secretary Wu Jinghua and Deputy Secretary Raidi were present at the meeting. Jimzhong Gyaincain Puncog, vice chairman of the regional CPPCC and an advanced individual in promoting the unity and progress of all nationalities, reported to the two vice chairmen his plan to convey and implement the spirit of the meeting.

Vice Chairman Ngapoi Ngawang Jigme said: For the first time in the more than 30 years since the founding of the People's Republic, the State Council called a national commendation conference on the unity and progress of all nationalities. The principal leading comrades of the central authorities attended the meeting, and General Secretary Zhao and other leaders delivered very important speeches. This carries a very deep significance for cementing the unity of all our nationalities and doing our work among the minority nationalities well. After you return to Tibet, you should conscientiously convey and implement the spirit of the meeting so as to really push forward the economic development of our region.

Ngapoi continued: Equality, mutual assistance, and mutual respect are the sign of a brilliant unity of all our nationalities. The idea of the two being inseparable should stick and be publicized.

Vice Chairman Banqen said: The convening of such a large-scale commendation conference proves that the party Central Committee attaches great importance to the work of promoting the unity of all nationalities. As long as a good job is done, your exemplary deeds can educate and inspire the masses. Both vice chairmen hoped that a large number of advanced individuals and collectives would emerge with the inspiration of all representatives to the meeting.

Wu Jinghua pointed out: During the past few years, we have adopted vigorous measures to heal wounds and cement the unity of all nationalities. However, the burden on our shoulders remains very heavy. He hoped that all can lay their hearts bare to the masses and treat each other equally so as to nurse and strengthen the earnest trust of the masses in us. This means we must do the Tibetan people good turns in a down-to-earth manner, thus adding a new chapter to the annals of national unity.

Tibetan Member of CPPCC Dies, Ceremony Held OW0905011688 Beijing XINHUA Domestic Service in Chinese 1445 GMT 6 May 88

[Excerpts] Lhasa, 6 May (XINHUA) — Comrade Yongzeng Tudeng Tangba, member of the CPPCC National Committee, vice chairman of the Tibetan Autonomous Regional CPPCC Committee, permanent council member of the Buddhist Association of China, and vice chairman of its Tibetan Chapter, died of illness at the age of 75 on 28 April. A memorial service for Comrade Yongzeng Tudeng Tangba was held at the auditorium of the Tibetan Autonomous Regional CPPCC Committee this afternoon. [passage omitted]

Vice Chairmen of the NPC Standing Committee Ngapoi Ngawang Jigme and Banqen Erdini Qoigyi Gyaincain made phone calls and sent messages of condolence to mourn the passing of Yongzeng Tudeng Tangba.

Wreaths were sent from the United Front Work Department of the CPC Central Committee, the CPPCC National Committee, the State Nationalities Affairs Commission, the State Council's Bureau of Religious Affairs, and the Buddhist Association of China, as well as party, government, and military leaders of the Tibetan Autonomous Region.

Tibetan Autonomous Region party, government, and military leaders, as well as representatives from various circles, totaling some 500, attended the memorial service, which was officiated by Basang, deputy secretary of the Autonomous Regional Party Committee.

Tibet Medical Training Course Opens HK0505115988 Lhasa Tibet Regional Service in Mandarin 1330 GMT 3 May 88

[Text] The first training course for rural doctors jointly sponsored by the Foundation in Aid of Tibetan Development, Swiss Red Cross, and Xigaze Red Cross officially opened in Xigaze at the end of April.

This jointly sponsored training course for rural doctors is the first training course for rural doctors in our region which has been jointly sponsored with foreign organizations. The training course will train grass-roots medical workers for rural and pastoral areas in turn.

The training period of this first training course is 3 to 4 months and the number of students is 37. The instructors are Martin Weber and his wife, both doctors, who have been sent by the Swiss Red Cross.

Banqen Erdini Qoigyi Gyaincan and Ngapoi Ngawang Jigme, NPC vice chairmen and chairmen of the Foundation in Aid of Tibetan Development, sent telegrams from Beijing to warmly congratulate the training course on its opening. They also hoped that the training course would make even greater contributions toward the health of the Tibetan people and the development of the medical and public health cause.

Northeast Region

Heilongjiang's Sun Weiben on Inspection Tour

Outlines Border Trade Plan SK0605023588 Harbin Heilongjiang Provincial Service in Mandarin 0900 GMT 4 May 88

[Text] After an inspection of Mishan, Dongning, Suifenhe, Hulin, and Linkou, Sun Weiben, secretary of the provincial party committee, which is currently conducting an investigation in Mudanjian, said that it is necessary to build both internal and external economic group armies for the development of border trade.

Sun Weiben commented: While conducting border trade, port cities and counties should discuss policies, giving attention to their place in the commodity economic development structure. Two economic group armies should be established, keeping in mind the provincial party committee's strategy for dealing with areas north and south of the province, and developing trade relations with East Europe and the Soviet Union. One group army, an internal economic group army, will work to develop economic relations at home. The other, an external economic group army, will develop economic relations with foreign countries. According to the provincial party committee's tentative plan, the pattern of the internal economic group army includes the setup of a key point, a line, and an overall area. The key point will be to build Harbin City, the capital of the province, into an international trade city and to let it play a role as a key city. The line will be to organize the coastal areas of the province into an open economic belt. An overall area means several export-oriented production bases throughout the province will be set up as well as a perfect export commodity system. As a key component part of the province's open economic belt, border trade ports should overcome the ideas of a small-scale peasant and product economy, and enhance the sense of urgency and awareness of competition in conducting foreign trade. As soon as possible, the optimization of the export commodity market should begin. Border trade ports should take advantage of their being ports in the export-oriented economic structure. In establishing the internal economic group army, port cities should act as agents. They should not only play a role as a small economic group in acting as agents for the province, but also a role as a large economic group army to [words indistinct]. Port cities should bring in the advantages of the country, the province, and cities and turn these advantages into their backing forces. All economic workers from the internal economic group army are welcome and will enjoy some preferential policies, including land use. It is necessary to boldly promote coordination between industry and trade, between economy and trade, [words indistinct]. Located in the central part of northeast Asia and faced with the economic progress and the rising economy in northeast Asia, the province should regard the opening to the Soviet Union, East European countries, and northeast Asian areas as a principal economic orientation, and positively participate in international market competition. Before completing the opening to the outside world, port cities have to conduct investigations positively and steadily in order to understand the international market. As economic activities with the outside world are conducted, we should have the goal of seeking something new and real, and a down-to-earth work style. We will be in an invincible position by doing these things.

Sun Weiben said: The internal and external economic group armies are related to and can affect each other. The size of the internal economic group army determines the extension of the external economic group army.

Similarly, the more we understand the external economic group army, the larger the internal economic group army will be. In short, the internal economic group army will have a role in dealing with the areas south of the province, and the external economic group army will have a role in dealing with areas north of the province. Cooperation with areas south of the province and the opening of areas north of the province are an important guiding ideology and principle in developing border trade.

Details Experimental Area

SK0905045088 Harbin Heilongjiang Provincial Service in Mandarin 0900 GMT 8 May 88

[Text] During an inspection tour of Mudanjiang City and Hailin County a few days ago, Sun Weiben, secretary of the provincial party committee, made an important speech about building an experimental area to conduct overall urban and rural reform in Mudanjiang City as well as some issues concerning reform.

In his speech at the Mudanjiang City conference of leading cadres on the afternoon of 6 May, Comrade Sun Weiben noted: The provincial party committee's decision to build an experimental area to conduct the overall urban and rural reform in Mudanjiang City is an important step for deepening the province's reform work. The decision is also a great matter relating to the overall situation and affecting the long-term program.

With regard to how to build the experimental area, Comrade Sun Weiben gave a general statement on building such an area in line with the guidelines of the provincial party committee.

He said: In building the experimental area, we should follow a guiding ideology and seek the realization of two goals. The guiding ideology is to closely link reform with construction, follow the principle of promoting construction through reform, and allow reform to play a dominant role in overall work. All things that are not conducive to the development of productive forces must be reformed. The emanciaption of minds must be regarded as a way to liberate productive forces. The difficulties cropping up in the course of economic construction should be regarded as key targets for reform. The realization of two goals means to make Mudanjiang stand among the economically well-developed areas, be the first to let new systems play a dominant role, and play an exemplary vanguard role in the province.

Sun Weiben emphasized in his speech: The province should concentrate efforts on building the experimental area to conduct reform. The provincial party committee has decided to open its mind and creatively carry out the experiment. In the course of replacing old systems with the new, Mudanjiang City will be allowed to make breakthroughs in conducting the work that cannot be done by other places for a period of time, and to hear opinions on the matters in which other places are unable

to make a breakthrough. The experimental area will be allowed to carry out boldly all things that are suitable to the standards for productive forces and are conducive to accelerating the replacement of old systems with the new and the pace of seeking wealth.

Sun Weiben also commented: We should rely on the creative efforts of the Mudanjiang City CPC Committee and all the people in the city to build the experimental area. The provincial party committee should provide the city with important policy guidelines and help the city create a competitive external environment. However, we should rely on the ability of the city's cadres and masses since the main body of the experimental area is in Mudanjiang City. Therefore, leaders at various levels in Mudanjiang City should enhance their sense of mission and responsibility, strive to help the masses foster a spirit of [words indistinct], boldly engage in practices and make explorations, and creatively implement the party's line, principles, and policies. The people from higher to lower levels throughout the city should work with one heart and one mind in an effort to make a breakthrough in the work of the experimental area.

On the morning of 5 May, (Zhou Xinsheng), secretary of the Hailin County CPC Committee, gave a report to Sun Weiben. It concerned a cement plant in the county that had stopped production and gone bankrup. The plant was unexpectedly rescued by the (Lixin) cement plant in Liaoning Province's Tieling county on a contract basis. After hearing the report, Sun Weiben said: The cement plant's practice of opening trans-provincial public bidding illustrates the fact that the plant's reform work has actually been deepened. We should have the courage to make a breakthrough in reform.

After hearing a report by (Wu Yuancheng), a national excellent peasant entrepreneur, on the resistance to a responsible department inspection, by a party committee secretary of the deputy section level, of his contracted enterprise, Sun Weiben commented: The plant should develop production in line with the principle of distribution according to work but must not have an idea of [words indistinct]. Some units constantly try tc [words indistinct] due to their failure to smash the establishment of personnel relations. By doing so enterprises will not be able to develop. From now on, we should inquire about enterprises' economic results rather than setting administrative restrictions on them in the process of opening public bidding for contractors.

Sun Weiben Meets Heilongjiang Heart Specialist SK0705043088 Harbin Heilongjiang Provincial Service in Mandarin 2100 GMT 6 May 88

[Text] On the evening of 6 May, Sun Weiben, secretary of the provincial party committee, met with (Liu Xiaocheng), a doctor with the Mudanjiang Heart and Circulatory System Hospital, at the Mudanjiang Guesthouse.

He heard Dr (Liu Xiaocheng's) plans for developing our province's medical treatment of heart and circulatory diseases as well as the prospects for recovery from such diseases.

(Liu Xiaocheng) is one of our country's young heart and circulatory system experts. Last January, he left Beijing, the capital, and came to Mudanjiang on his own initiative to establish Northeast China's first heart and circulatory hospital. Over the past few months, he has cured more than 150 heart and circulatory system patients from all over the country. However, the hospital's current medical treatment facilities make it impossible to receive more patients.

After hearing the report, Secretary Sun Weiben said: It is necessary to establish a heart and circulatory hospital on a fairly large scale as soon as possible, and to train more medical personnel.

Heilongjiang Opens More Border Ports to USSR SK0605042188 Harbin Heilongjiang Provincial Service in Mandarin 2100 GMT 5 May 88

[Text] With the approval of the State Council, Heilongjiang Province shall open six additional border trade ports this year. Mishan, Hulin, Raohe, Luobei, Nehe, and Jiayin will be on the list, in addition to the three border trade ports — Heihe, Suifenhe, and Tongjiang which were opened to the Soviet Union.

Liaoning Seeks Foreign Experts To Run Enterprises OW0805141788 Beijing XINHUA IN ENGLISH 1145 GMT 8 MAY 88

[Text] Shenyang, May 8 (XINHUA)—Liaoning Province plans to invite 100 foreign experts to work as directors or at other senior posts at 70 of its enterprises, XINHUA learned today.

Once appointed directors, they can run the factories according to international practices, and their wages will float with the sales of the factories' products, a provincial official said.

These enterprises include the Dalian Shipyard, one of China's largest, and are in machinery, electronics, metallurgy, textile, chemical, building materials and light industries in nine cities.

Thirty of them are losing money and 15 others hope to find foreign markets for their products, the official said.

Northwest Region

Qinghai Rules on Foreign Contracted Management HK0605113788 Xining Qinghai Provincial Service in Mandarin 1400 GMT 2 May 88

[Text] With a view to implementing the State Council's regulations on speeding up and deepening reform of the foreign trade structure, our province has recently put forward regulations to implement the foreign trade contracted management responsibility system. The specific regulations are:

- 1. It is necessary to implement the foreign trade contracted management responsibility system in all ways. The provincial foreign economic relations and trade department is uniformly responsible for the fulfillment of three quotas: the quota for state infrastructure charges, the quota for foreign exchange paid to the central authorities and for export charges, and the quota for [words indistinct] renminbi subsidies, for which the provincial people's government is held responsible to the state. The department must, in turn, respectively contract with provincial subordinate foreign trade enterprises for the fulfillment of these quotas. The contract base must remain unchanged for 3 years from 1988. The province must adopt a method where contractors are responsible for their losses and will not be subsidized, all subsidies already issued for the losses can be retained, and those who exceed their quotas by more will get greater bonuses.
- 2. The supply of main raw materials needed for the production of exported goods is to be arranged in a coordinated way by the provincial planning commission, provincial price bureau, and departments in charge respectively, and priority must be given to the supply of these materials. The raw materials, which are used for the production of exported products as covered by plans, must be supplied to the foreign trade departments according to the state stipulated prices, and their prices must not be raised at will in order to avoid an increase in the costs of the exported goods.
- The retained foreign exchange must be distributed according to the relevant state regulations.
- 4. The retained foreign exchange must be used and controlled according to the principle of being beneficial to the export management enterprises and exported goods production enterprises. These enterprises will assume sole responsibility for profits and losses as well as arousing enthusiasm for export. All retained foreign exchange can be used and [words indistinct] with compensation. It is necessary to give play to the role of private foreign exchange, to enhance the results of using foreign exchange, and to use the retained foreign exchange properly and in a lively way.
- 5. The provincial finance and economic commission and provincial planning commission must appropriate funds and foreign exchange of 2 million yuan by establishing a working fund for export. This fund will be used to build and develop an exported goods production base. It is essential to gradually build the base for steadily supplying exported goods.
- All foreign trade and industrial and trade enterprises, must fulfill their contracted tasks at all levels, [words indistinct], and invigorate their business. In the light of

their own work and capacity for management, all enterprises must embark on domestic marketing and strengthen their ability of [words indistinct] to make up for the losses incurred in export and to pay export charges.

7. In order to encourage foreign trade enterprises and exported goods production enterprises to export more products and earn more foreign exchange, the provincial people's government states that in addition to the benefits enjoyed according to the state regulations in force, the enterprises which have overfulfilled their export quotas must be issued a bonus of [words indistinct] for every \$100 million, that the bonuses issued to the foreign trade enterprises and exported goods production enterprises must be defrayed from funds for the bonuses, and that no tax is to be levied on these bonuses.

Qinghai Cadres Violate Family Planning Policy HK0805090988 Xining Qinghai Provincial Service in Mandarin 1400 GMT 5 May 88

[Text] Some state cadres of the Huangnan Autonomous Prefecture have ignored the state family planning policy, have had additional births beyond the quota without scruple, and have not received the punishment they deserve. The local masses are strongly dissatisfied with this.

According to the statistics compiled by the departments concerned from August 1980 to the end of 1987, some 580 cadres, staff members, and workers of Huangnan Autonomous Prefecture have violated the family planning policy by having additional births beyond the quota. Of these cadres, 67 were at or above the level of a district deputy. Forty-four cadres had 2 to 6 additional births, and 16 had over 4 births. Seven of the cadres who had additional births beyond the quota were cadres at and above the level of a county deputy. A deputy secretary of Tongren County CPC Committee of Huangnan Autonomous Prefecture had four additional births beyond the quota with the last birth taking place in 1987.

To date, only one cadre at the district level was fined and disciplinary sanction was also applied. The others were only fined. The masses have a lot of complaints about this.

The fact that cadres had additional births beyond the quota, and were not given the punishment they deserved, has caused difficulties for the family planning departments. Some people feel that if the cadres can afford to pay the fines for having additional births beyond the quota, they can also afford to do this. Many of them have now had additional births beyond the quota. The end result has been that the population of the autonomous prefecture has risen again. According to statistics, the natural population growth rate of Huangnan Autonomous Prefecture in 1987 reached 16.19 per thousand, higher than the natural population growth rate for the entire province.

Xinjiang Minorities Allowed Larger Families OW0805120388 Beijing XINHUA Domestic Service in Chinese 0120 GMT 8 May 88

[By reporter Zhu Dongju]

[Excerpt] Urumqi, 8 May (XINHUA)—The people's government of the Xinjiang Uygur Autonomous Region recently drew up the "Provisional Regulations on Minority Peoples' Birth Control in the Xinjiang Uygur Autonomous Region," and decided to implement it on 1 July.

The population of the minority peoples in Xinjiang now stands at 8.63 million or 61.39 percent of the autonomous region's total population. This figure has doubled since the time of liberation. According to statistics, the birth rate of minority peoples in Xinjiang for 1987 was 2.63 percent and natural population growth rate was 1.841 percent, both higher than the averages for the autonomous region and the nation.

Based on the relevant state laws and regulations and taking into account Xinjiang's specific situation, the "provisional regulations" have two separate standards for the minority peoples living in urban areas and in agricultural and pastoral areas: couples residing in cities, counties, or towns may have two children; and those living in rural villages or pastoral areas may have three children. The "provisional regulations" also specify incentives to encourage child-bearing-age minority couples to practice birth control. [passage omitted]

Opening Trade With Soviet Union, Vietnam Studied OW0705181788 Taipei CNA in English 1522 GMT 7 May 88

[Text] Taipei, May 7 (CNA)—Economics Minister Li Ta-hai of the Republic of China [ROC] said Saturday that the government is studying the feasibility of opening direct trade with the Soviet Union and Vietnam.

The ROC Government has lifted the ban on direct trade with East European countries. Local businessmen have recently suggested that the government adopt a more flexible policy on direct trade with other communist countries, particularly the Soviet Union and Vietnam.

In responding to a press inquiry, Minister Li said that the government is studying the advantages and disadvantages of direct trade with the two communist nations.

"In my opinion," Li said, "it is not necessarily harmful to our national interests to allow direct trade with those two nations."

But he reiterated that the government would never allow direct trade with the China mainland.

He added that the government plans to announce a list of items that can be imported from the mainland through a third country. Any imports not included in the list will be banned.

Education Minister Supports Exchanges With PRC OW0705162088 Taipei CHINA POST in English 30 May 88 p 16

[Text] Education Minister Mao Kao-wen Wednesday said his ministry supports academic and cultural exchanges between Taiwan and Mainland Chinese students in third regions.

Mao made the remark at the legislature in answer to an interpellation by Legislator Fu Chin-yuan.

The Education Ministry will encourage and "actively promote" cultural exchanges such as the collegiate debate earlier this month in Singapore, Mao said.

He said whether such activities would be held in Taiwan or Mainland China would depend on changes to the official policy on Mainland China.

The first face-to-face encounter between Taiwan and mainland students occurred on April 11 when students from Shanghai's Futan University and National Taiwan University both participated in an Asian collegiate debate held in Singapore.

'Time Is Ripe' for Nation To Rejoin GATT OW0705121088 Taipei CNA in English 0250 GMT 6 May 88

Taipei, May 6 (CNA) — The ad hoc committee for rejoining the General Agreement on Tariffs and Trade decided at a meeting Thursday to thoroughly study the Republic of China's rights and obligations once it becomes a GATT member.

The committee consists of officials from the ministries of economic affairs, finance, and foreign affairs. Thursday's meeting, the first held since its formation, was presided over by Vice Economics Minister Wang Chien-shien.

Wang told the press after the meeting that the special task force has been divided into seven groups, including investments, intellectual property rights, service industries, agriculture, customs duties, and non-tariff. Their study should be completed within one month, he added.

"The time is ripe for the Republic of China to rejoin GATT since the nation has developed strong economic and trade power," Wang said after reviewing a report by the Board of Foreign Trade on "GATT's influence upon the nation's international trade."

Although there will be some difficulties, Wang said, the ROC should do whatever is necessary to rejoin GATT.

By rejoining GATT, the ROC can acquire first-hand international economic and trade information and can appeal to GATT to arbitrate serious trade disputes, Wang said.

As a member nation, the ROC will have to abide by GATT's economic and trade egulations, so that the nation would speed up its pace of economic liberalization and internationalization, he added.

Wang also pointed out that rejoining the international organization will inevitably bring some pressures on the nation, including calls or the lifting of import controls on farm produce and on Japanese vehicles. But, he said, he believes that the nation already has the ability to cope with such pressures.

Although the Chinese Communists may obstruct the ROC's GATT application, Wang said, the United States, along with other friendly countries, would be happy to see the ROC rejoin GATT.

Based in Geneva, GATT currently has 93 member countries and 65 observers.

TAIWAN

Servicemen Free To Join Political Parties OW0705035488 Taipei CNA in English 0237 GMT 7 May 88

[Text] Taipei, May 7 (CNA) — The Cabinet said Friday the Republic of China servicemen, like ordinary citizens, have the right to join any legal party.

In a written response to a legislative query by Legislator Fei Hsi-ping, the Cabinet said the Army does not discriminate against officers and soldiers because of their political affiliaton.

There should be no so-called "party-Army" problem because no party organizations are permitted in the Army and a sound system limits tenure for the holders of all important military positions, the Cabinet said.

'Bolt-Hole' For Hong Kong People Planned HK0605090988 Hong Kong HONGKONG STANDARD in English 6 May 88 pp 1, 4

[By Chan Wai-fong]

[Text] A bolt-hole for people who do not want to remain in Hong Kong and Macao after 1997 is to be built in Taiwan next year.

The project's Hong Kong partner, Mr Chow Yung-nan—who organised and set up the pro-Nationalist, anti-communist enclave of Rennie's Mill in the 1950s—admitted frankly yesterday that people from the enclave would be the main beneficiaries.

The large housing estate, tentatively called "Hong Kong Village," will have streets named Nathan Road, Queen's Road and King's Road in a bid to reconstruct a familiar environment and appeal to the nostalgia of its future residents.

It will cost more than NT[New Taiwan]\$5 billion (HK[Hong Kong]\$1.3 billion).

Mr Chow said it had the backing of the Taiwan Government, which had arranged for two commercial banks to provide loans.

Work would start as soon as the Executive Yuan of the Taiwan Government gave the green light, he said.

The apartments, near Taipei International Airport, would be priced at about half the market value to "take special care" of people from the lower income brackets, Mr Chow said.

"These people cannot afford to emigrate to countries like Canada, Australia or the United States. But they share the same aspiration to leave Hong Kong for a more preferable livelihood at the approach of 1997," he said.

The project will house about 30,000 families on 200 hectares.

It includes primary schools, secondary schools and a university and will be fringed by industrial estates offering employment opportunities to the future residents.

The first phase will take up only 66 hectares on which two types of apartments are to be built. Smaller ones, of 720 sq ft, to be sold at NT\$950,000 (HK\$254,600) and larger ones of 1,080 sq ft, to cost NT\$1.7 million (HK\$450,500).

Repayments will be over 20 years, with a down-payment of 10 percent.

If approved, the project will be the first of its kind since 1984 when the Sino-British Joint Declaration was signed and Hong Kong assailed by uncertaintiesxm

Mr Chow declined to identify the financial sources but stressed that the NT\$5 billion was a charitable donation from "a friend".

Mr Chow is a former Nationalist soldier and chairman of a newly established committee to help Hong Kong people move to Taiwan.

He said the plan was submitted to the Group on Hong Kong and Macao Affairs, headed by Taiwan's vice-premier Mr Lien Chan on April 18, one day after the project's contract was signed between the committee and the Taiwan developer.

Mr Chow's committee is registered in Taiwan but a company was opened in Hong Kong to undertake promotion here.

The Hination Investment Limited, incorporated in Hong Kong on March 8, aims to help people who want to leave Hong Kong before 1997.

Mr Chow said that the idea of a "Hong Kong Village" had long been favoured by the Taiwan Government because it would make management much easier.

Seminar on Hong Kong, Basic Law To Convene HK0605081588 Hong Kong HONGKONG STANDARD in English 6 May 88 p 6

[By Yau Shing-mu in Beijing]

[Text] Taiwan's ruling Kuomintang (KMT) is scrutinising the newly released draft of the Basic Law for post-1997 Hong Kong to see how China will apply its "one country, two systems" formula after Beijing regains sovereignty over the territory.

The KMT's level of interst is reflected by the involvement of two high-ranking retired government officials organising a two-day seminar on the future of Hong Kong and Macao.

The basic Law draft is top of the agenda for the seminar which is the first of its kind.

It has been organized by a group called, "Committee in Support of Friends of Hong Kong people."

It will convene at the Chinese Television Service in Taipei today.

The organising body is a civilian group closely associated with the KMT.

The two retired officials are the former director-general of the Government Information Office, Dr Chang King-yuh, and a retired veteran diplomat, Dr Han Lin-wu.

Dr Chang is now the director of the Institute of International Relations of the national Chengchi University the thinktank of the government on foreign affairs.

Dr Han is the chairman of the Chinese Association for Human Rights.

He served as ambassador to several Southeast Asian countries and before the KMT retreated to Taiwan, he was a member of the Chinese Mission to Britain in 1944. Taipei has rejected the communist regime's call for re-unification under the "one country, two systems" concept and has countered with the slogan "one country, a better system," which means reunification under the "Three Peoples Doctrine".

Four anti-Communist Hong Kong scholars will present papers at the seminar and will specifically comment on the Basic Law draft today.

They are Dr Byron Weng, profesor at the Chinese University of Hong Kong (CUHK); Dr Liao Kuangsheng, deputy director of the Centre for Contemporary Asian Studies at the CUHK; Mr Hu Chu-jen, editor of the bi-weekly PAI SHING; and Mr Tsui Dong-bun a writer with the HONG KONG TIMES.

Other subjects to be discussed are; the future and prospects of the region of Hong Kong and Macao; the tripartite relationship between Taiwan, Hong Kong and the mainland; how Taiwan can help the people of Hong Kong and Macao at this stage; and how friends of Hong Kong and other countries can help the people of the territories.

Defense Ministry To Develop Antiaircraft Missiles OW0605111488 Taipei LIEN HO PAO in Chinese 28 Apr 88 p 2

[Text] Defense Minister Cheng Wei-yuan said at the Legislative Yuan yesterday that our country has changed its strategy from offensive to defensive. Accordingly, it has discontinued the production of Chingfeng surface-to-surface missiles. Instead, all-out efforts will be made to develop antiaircraft missiles, he said.

At yesterday's meeting held by the sixth group of the Legislative Yuan to examine the national defense budget, Legislator Li Sheng-feng asked why nothing had been heard about the Chingfeng surface-to-surface missile since it made its appearance at the last National Day military review. He also asked why its production is not included in the budget.

Cheng Wei-yuan replied that because our country has changed its strategy from offensive to defensive, production of Chingfeng missiles has been discontinued, while all-out efforts will be made to develop antiaircraft missiles.

In addition, Li Sheng-feng referred to a report that the hulls of two of our country's eight second-generation naval vessels will be built by Korea, saying that this is only to the advantage of the Korean shippard without any benefit to our country. This report was immediately denied by Cheng Wei-yuan, however.

Preferential Treatment Offered to Five Countries OW0705044988 Taipei CNA in English 0247 GMT 7 May 88

[Text] Taipei, May 7 (CNA) — The Republic of China [ROC] will offer mutual preferential treatment to Monaco, the Kingdom of Lesotho, Pakistan, Sudan, and the Principality of Liechtenstein, effective May 7, the Ministry of Finance announced Friday.

As of now, 124 countries and areas have been offered such preferential treatment by the ROC Government.

Foreign Minister Departs for Latin America OW0805183488 Taipei CNA in English 1421 GMT 8 May 88

[Text] Taipei, May 8 (CNA) — Foreign Minister Ding Mou-shih left Saturday afternoon for a goodwill visit to Paraguay, Honduras and El Salvador at the invitation of the governments of the three Latin American nations.

Ding told the press shortly before his departure at the airport that the bilateral relations between the ROC [Republic of China] and the three Latin American nations have been very cordial and the traditional friendships between the ROC people and the people of these countries have also been very close.

The frequent visits to the ROC by leaders of the three Latin American nations over the past three years have contributed greatly to the strengthening of their political, economic, trade, technological, cultural and sports cooperation and exchange with the ROC.

Ding said he will convey the best regards of President Li Teng-hui and Premier Yu Kuo-hua to the presidents of Paraguay, Honduras and El Salvador and will exchange views with the government leaders of the three countries on matters of mutual concern so as to further enhance mutual understanding and cooperation.

In addition to conveying the governments concern to the Chinese residents in the three nations, Minister Ding will also preside over the Seventh Conference of the ROC envoys and representatives in Latin America to be held in Asuncion, the capital city of Paraguay.

Ding was accompanied on the visit by his wife and Su Ping-chao, director of the Foreign Ministry's Department of Central and South American Affairs.

President Li Receives Guatemalan Congressmen OW0605153588 Taipei CNA in English 1527 GMT 5 May 88

[Text] Taipei, May 5 (CNA) — President Li Teng-hui Thursday received a 5-member delegation of Guatemala congressmen led by Alonso Aloso Barillas, president of the National Congress of Guatemala at the Presidential Office.

President Li spoke warmly of his admiration for Guatemalan President Mario Vinicio Cerezo Arevalo whose leadership has helped achieve many diplomatic and domestic goals since he took office.

He also noted that bilateral relations between the Republic of China [ROC] and Guatemala would be further strengthened in the future.

The Guatemalan leader thanked President Li for his earlier efforts in helping Guatemala establish several small industries and in arranging the donation of a large quantity of clothes and other necessities to those who live on the borders of the Central American country. The

president of the Guatemalan Congress also pointed out that the ROC, under the direction the Three Principles of the People, has developed so rapidly in the political, economic, and social fields that it has amazed all people. The ROC's great achievements ought to be a good model for all developing countries of the world he added. During the meeting, Chang Tsu-yi, Deputy Secretary General to the President, and Vice Foreign Minister Charles Shu-chi King were also present.

The Guatemalan congressional delegation arrived in the ROC last Sunday for an 8-day official visit at the invitation of the ROC Government.

Premier Yu, Swaziland Premier Sign Accord OW0705130088 Taipei CNA in English 1045 GMT 7 May 88

[Text] Taipei, May 7 (CNA)—Premier Yu Kuo-hua and Swazi Prime Minister Sotsha Ernest Dlamini, on behalf of their respective governments, signed a communique Saturday, pledging continued cooperation between the two countries in upholding international justice and promoting world peace.

Prime Minister Dlamini, accompanied by an 8-member entourage, arrived in Taipei for an 8-day visit. During the past few days, Dlamini has met with President Li Teng-hui and other ranking Chinese officials to discuss matters of mutual concern.

He said at today's signing ceremony that he was impressed by the economic prosperity and social progress he had seen here. He also thanked the ROC [Republic of China] Government and people for their hospitality accorded him during his stay in Taipei.

Premier Yu said that the Government of Swaziland, under the wise leadership of King Mswati III and Prime Minister Dlamini, has made outstanding achievements in promoting national development and in upgrading its international status in recent years.

More than 30 Chinese and Swazi officials, including Vice Premier Lien Chan, Foreign Minister Ding Moushih and Swazi Congressman Philip Dzingalive Dlamini, were also present at the ceremony.

Hong Kong

Israeli Businessman Sentenced for False Passport

Asks for Deportation

HK0405050588 Hong Kong SOUTH CHINA

MORNING POST in English 4 May 88 p 1

[Text] China would have been in a better position to take over the defence of Hong Kong had a deal involving five Israeli businessmen who travelled to Beijing on false passports been successful.

The prosperity and stability of the territory would have been protected, said a lawyer representing 36-year-old Israeli Zvi Gafni, who yesterday changed his plea to guilty of possessing seven false passports, a stun gun and cannabis on December 19 last year.

Gafni, who was remanded in custody and will be sentenced on Friday, asked to be deported instead of jailed.

Judge Bernard Downey of Central Court said he had no power to make that recommendation.

Counsel for Gafni, Mr Ian Polson, said he regretted he could not disclose the precise nature of the deal in view of the difficult position he was in, but protested at his client being used as "scapegoat".

He said that Chinese authorities had approved the visas of the Israeli businessmen, who used fake Philippine passports to make the journey to Beijing last year.

It would be naive to assume the Government had no knowledge that some Israeli businessmen were using forged passports to get in and out of the country, which had no diplomatic ties with Jerusalem, said Mr Polson.

The use of false passports was a device to get around the diplomatic problem. Gafni had been trying to cut through the red tape and an application he made for a second passport did not contravene the Hong Kong or Israeli law, he said.

The Israelis had used the fake passports only on arrival in Beijing on November 22, 1987, and left there five days later.

They entered and left Hong Kong on Israeli passports, Mr Polson said.

He asked what business had it got to do with the Hong Kong Government when China did not have any complaints and the Hong Kong Government was not deceived in any way.

It was his client who had been deceived, Mr Polson said.

In response to an advertisement, Gafni had decided to apply for a second passport for the sole motive of going to China.

He was given a choice of a number of passports, initially choosing a Singaporean one, and applied for it from the Philippines.

He was told to pay a certain sum of money to the Singapore Government to maintain his passport, as he was a foreign national.

Gafni was later introduced to a Bolivian attorney who told him he could obtain a genuine Bolivian passport by investing in land in that country.

He filled in his name, place and date of birth correctly. However, his personal particulars were changed with his name as Zafry, place of birth into La Paz, the month and date of birth were reversed. Instead of October 12, it became December 10.

Under the circumstances, were any offence to have taken place, it would have happened in Beijing.

"So, what was his criminality...that an Israeli person like him had to resort to such as arrangement?" Mr Polson asked.

Judge Downey asked: "Are you saying Hong Kong has no cause over forged passports issued by foreign countries?"

Mr Polson agreed it had.

After the return to Hong Kong, the Israeli businessmen put the passports in envelopes which were placed inside the safe at Gafni's office.

"My client is not running a racket, he simply stored the passports for them," said Mr Polson.

Mr Polson said that because of the publicity, Gafni now considered himself as a terrorist target and both he and his family would live in fear in years to come.

He often received threatening telephone calls and was put under great mental stress.

Mr Polson produced to the court articles from THE SUN-DAY TIMES and the SUNDAY MORNING POST.

The SUNDAY POST had referred to Gafni as "the middle man", Mr Polson pointed out.

He said the significance of these reports was that the details in them and the photographs could only have come from highly confidential documents with the Commercial Crime Bureau (CCB).

There could only be a leak from someone in the CCB who boosted the case to get publicity.

"Not too many people love the Israelis in this world,"
Mr Polson said.

"We're living in a world of leaks," Judge Downey remarked.

The courts was told that an investigation was under way into the disclosure of the information.

Gafni was now in a delicate and unfortunate situation, Mr Polson said.

"It's not right to make him a scapegoat."

He said Gafni was still puzzled by what Detective Chief Inspector Ng Sai-kuen of the CCB said about the police's belief that he had been engaged in arms trafficking activities.

Why Gafni was picked up, he did not know, since the only deal he had was to sell arms to the Royal Hong Kong Police and Gafni was not a criminal, he said.

Jail Sentence, Fine Imposed

HK0705062988 Hong Kong SOUTH CHINA MORNING
POST in English 7 May 88 p 3

[By Corrina Tai]

[Text] Israeli arms dealer Zvi Gafni, who travelled to Beijing on a false passport, should be punished only for his own transgressions, a District Court judge said yesterday.

Judge Downey imposed a concurrent sentence of two years' jail and a fine of \$750 on the man who said he supplied arms to the Royal Hong Kong Police Force.

Gafni had earlier pleaded guilty to possessing an electric stunning device without a licence and one Singaporean and five Philippine passports.

He also admitted possession of 0.79 grams of cannabis which contained tetrahydrocannabinol and two grams of a resinous substance containing 0.16 grams of tetrahydrocannabinol and apparatus for inhaling a dangerous drug.

Counsel for Gafni, Mr Ian Polson, told the court there would be an appeal against sentence.

Passing sentence, Judge Downey reprimanded the press for giving "gross" publicity to Gafni's offence.

The judge said it had been submitted to him that no useful purpose would be served by keeping Gafni in Hong Kong, because it was a technical breach of the law involving no deception of the Hong Kong Government.

He accepted Gafni and his five compatriots used Israeli passports on their recent arrivals in and departures from Hong Kong.

However, Judge Downey could not accept that the forged passports were merely a technical breach of the law.

"One only has to read the Immigration Ordinance where the legislation states that possession of false passports should be regarded as a very serious offence, even if the documents are not used or not intended to be used to deceive the Immigration Department," he said.

He said he had not overlooked counsel's submission that the Singaporean passport was obtained only in order to overcome practical difficulties in travelling to China because of the absence of diplomatic relations between China and Israel.

As far as the Singaporean and Filipino passports were concerned, they were not used to deceive Hong Kong immigration and were used by people not before the court, he had been told.

The explanation for why Gafni was looking after these documents, as well as the photographs of the reputed owners, was unsatisfactory.

Judge Downey said the law in Hong Kong strictly controlled the use of arms and ammunition and he could not make much allowance for Gafni's ignorance of the law.

The judge said he took into account Gafni's guilty pleas, notwithstanding that they were entered only on the second day of the trial.

The court heard that on December 19, Gafni was arrested as he was about to leave Hong Kong for Macao.

After his arrest, his home at Discovery Bay and business premises in Central were searched by police officers.

A large number of documents were seized, including false passports as well as photographs and personal particulars of the purported passport holders.

Police also found cannabis, apparatus fit for inhaling dangerous drugs and a stun gun.

Gafni claimed in a statement to police that, after he started his own business in Hong Kong, he was introduced to a police officer called "Peter" and another called "Steve Robbins".

He said he was asked to arrange a demonstration of submachineguns, pistols and assault rifles.

Gafni asked his sources in Israel and South Africa to supply the Hong Kong police and the military with arms, to be collected at the airport.

Senior assistant Crown prosecutor John Cagney appeared for the Crown.

UNHCR Official Cited on Vietnamese Refugees HK0505115188 Hong Kong SOUTH CHINA MORNING POST in English 5 May 88 p 3

[BY Simon Macklin]

[Text] United Nations officials have agreed to step up their efforts to relieve the Vietnamese refugee problem in Hong Kong as the population reached its highest level since 1984.

Yesterday saw the arrival of a further 108 boat people, bringing the number to arrive in Hong Kong so far this week to 536 and the total refugee population to 11,776.

About 120 of the boat people who arrived this week were taken yesterday evening from the Green Island reception centre to the Chi Ma Wan closed centre where they will be kept under medical surveillance for six days before being placed in other closed centres.

The charge de mission for the United Nations High Commissioner for Refugees (UNHCR) in Hong Kong, Mr Fazul Karim, yesterday met Government officials to discuss the problems presented by the continuing influx.

Speaking after the meeting, Mr Karim said there was "no quick or easy solution" to the problem.

He said the UNHCR would step up efforts to persuade other governments to accept Vietnamese refugees in Hong Kong for resettlement. The refugee population in Hong Kong had increased by almost 50 percent over the figure at the beginning of last year.

Mr Karim said the UNHCR's main concern was to ensure the principle of first asylum was maintained in Hong Kong and that none of the boat people were turned away.

"Our interest is to find a solution to the problem but our concern is to maintain the first asylum principle," he said.

Mr Karim said the commission would try to maintain its existing commitment towards providing facilities for the refugees but this depended on the budget allocated by member countries.

The UNHCR last year contributed \$29.6 million towards the maintenance of the refugees here compared with \$122.7 million by the Hong Kong Government. Commission funds went towards food and education programs for the refugees.

Mr Karim was cautious about the possibilities of new international initiatives to find a solution to the problem.

But reports from Thailand yesterday indicated the Vietnamese authorities had reintroduced measures to allow people to leave the country through legitimate emigration channels after a two-year lull. Some commentators said the move could lead to a reduction in the number of boat people.

Vietnamese people might not take the risk of setting out in small boats to be stranded in a first asylum country if there is a possiblity of leaving the country legally.

The Communist Party newspaper for Ho Chi Minh City said police in the former southern capital were processing applications for exit permits.

The April 9 edition of SAIGON LIBERATION said a reduction in the backlog of emigrants to the United States under a departure program made it possible to take new applications.

Vietnam would help speed reunions of applicants with family members already in the United States, it said.

UNHCR officials have been working for some time to increase the orderly departure program from Vietnam.

Legco Opposes Refugee Policy HK0705025788 Hong Kong SOUTH CHINA MORNING POST in English 7 May 88 pp 1, 2

[By Simon Macklin and Agnes Lam]

[Text] Legislative Councillors are to formally request the Government to abandon its refugee policy and treat all new Vietnamese boat people as illegal immigrants.

Senior Legco [Legislative Council] member Miss Lydia Dunn will write to the Government spelling out the councillors' position.

The decision was unanimously supported at a Legco in-house meeting yesterday with the exception of Councillor Mr Martin Lee.

The move comes in the wake of an influx of refugees into Hong Kong, forcing emergency plans to be drawn up to accommodate them.

Seven boats carrying 105 refugees were intercepted yesterday, bringing the number of arrivals this week to 728 and pushing the refugee population here to nearly 12,000.

Measures being taken to cope with the boat people influx include:

Converting the 50-year-old barracks site in Shamshuipo into an emergency holding centre. This will replace earlier plans to build a temporary housing estate there.

A top-level inter-departmental working group has been established to co-ordinate efforts to cope with the growing number of arrivals. The United Nations High Commissioner for Refugees will be represented.

The Argyle Street site opened earlier this week to hold 600 of the new arrivals will be further expanded by early next week to accommodate 1,400 Vietnamese.

A 250-seater Royal Navy ferry has been "on loan" to the Government to assist with transporting the Vietnamese from the Green Island reception centre to other parts of Hong Kong.

Legco members yesterday decided against calling for a motion debate on the refugee crisis in order to give the Government time to alter its policy.

The Secretary for Security, Mr Geoffrey Barnes, is believed to have told the Legco's ad hoc group on refugees last week that he needed four more weeks for advice from the British Government on the implications of any new policy.

It is hoped that the British Foreign Secretary, Sir Geoffrey Howe, who is due in Hong Kong on May 29, will be sympathetic to the idea of adopting a more stringent policy after seeing the extent of the problem here.

Councillors also ruled out a direct approach to the British authorities as some members felt pressure should be put on the Hong Kong Government first.

A proposal to bring further public pressure on the Government by encouraging district board discussions was also rejected.

Councillor Mr Yeung Po-kwan, said: "We believe writing to the Government is the first step. We have not decided the next."

Mr Yeung said he and fellow Legco member Mr Jackie Chan Chai-keung would attend a regional seminar organised by the Thai Government at the end of this month to try and gain international support for Hong Kong's position.

This is in addition to the efforts of the ad-hoc group's convenor, Mrs Rita Fan, and Mr Hui Yin-fat, who will attend an international conference on Vietnamese refugees in Washington in June.

Mr Yeung said he hoped the common stand by councillors would show the Government their feelings on the issue.

The councillors would consider further action if the Government responded negatively, he warned.

In a statement last night, the Government said the continuing arrivals were imposing considerable strain on resources and further facilities were urgently being sought.

Following consultations with a Shamshuipo District Board environmental group, the Government decided to re-open the former Jubilee refugee centre. The 50-year-old army barracks site served as a prisoner of war camp during World War II but was used as a refugee centre in the early 1980s before being closed last year pending demolition.

The Government is also considering opening the former Royal Hong Kong Regiment (the Volunteers) training camp.

Financial constraints are delaying the decision on whether to open the Erskine camp in Sai Kung in addition to the Shamshuipo centre as the Government would have to seek more money from the Finance Committee—something Mrs Fan has threatened to block.

The Correctional Services Department is recruiting 50 extra temporary staff to help manage the Cape Collinson site.

The department already has about 450 temporary staff employed at the closed centres.

Chief Secretary Urges Increased PRC Contacts OW0805212288 Beijing XINHUA in English 1441 GMT 8 May 88

[Text] Hong Kong, May 8 (XINHUA) — The Hong Kong Government should extend contacts at all levels with Chinese Government officials as this was important in building confidence and trust, the Chief Secretary of Hong Kong David Ford said here today.

Speaking to the press on his return from a five-day visit to the mainland, Ford said, "I think it's very important for us, from the point of view of confidence and trust, to extend as many contacts as we can."

This was his first official visit to the Chinese mainland. He had exchanges of views with Ke Zaishuo, the senior representative of the Chinese team of the Sino-British Joint Liaison Group, and Lu Ping, the deputy director of the Hong Kong and Macao office of the State Council.

He noted that it was important for Hong Kong to keep in touch not only with the more developed coastal regions in the mainland, but also with some of the inland regions.

The chief secretary said he had the impression that there was scope for a great deal of more foreign investment in southwest China's Sichuan, which has 100 million people, or the largest population among China's provinces.

PRC Vice Premier Tian To Visit Territory HK0505114588 Hong Kong SOUTH CHINA MORNING POST in English 5 May 88 p 1

[Excerpt] The Chinese Vice-Premier, economist Mr Tian Jiyun, will have a brief stay in Hong Kong at the end of May on his way home after visits to Mexico, the United States and Canada, it was learned yesterday. Mr Tian, a member of the party Politburo, will be the first Chinese vice-premier to come here for nine years. In 1979, Ms Chen Muhua, then also a vice-premier and an alternate member of the Politburo, passed through the territory after a trip abroad. Ms Chen is now a vice-chairman of the National People's Congress.

Last year, the Chinese State Councillor and Foreign minister, Mr Wu Xueqian, spent a few hours in Hong Kong after a trip abroad and held an hour-long talk with the Governor. Mr Wu is now a Vice-Premier.

The itinerary for Mr Tian's stay in Hong Kong has yet to be worked out but he is expected to meet the Governor, Sir David Wilson, as well as senior NEW CHINA NEWS AGENCY staff here. [passage omitted]

UK Foreign Secretary To Visit, Discuss Basic Law HK0505114788 Hong Kong HONGKONG STANDARD in English 5 May 88 p 3

[By Anthony Cheesewright]

[Text] London—British Foreign Secretary Sir Geoffrey Howe will visit Hong Kong this month to discuss the implications of China's draft Basic Law with the territory's political and business leaders.

Sir Geoffrey and Lady Howe will arrive in Hong Kong on May 29 for three days and stay at Government House as guests of Sir David Wilson.

A Foreign Office spokesman said yesterday: "Sir Geoffrey will be meeting representatives of the Executive and Legislative councils as well as members of the Hong Kong business community.

"Discussions will embrace a wide range of topics, including progress being made in the implication [as published] of the joint declaration by the British and Chinese governments on the future of Hong Kong." The spokesman added: "The Foreign Minister is also eager to hear at first hand the Hong Kong Government's plans for development of port facilities, a second airport and the public transport system."

Vietnam To Release Imprisoned Fishermen HK0605072988 Hong Kong SOUTH CHINA MORNING POST in English 6 May 88 p 3

[By Nigel Rosser]

[Text] All 32 Hong Kong fishermen imprisoned by Vietnam for fishing in Vietnamese waters off the Spratly Islands will be released within the next two weeks diplomats said yesterday.

The men have been imprisoned in Ho Chin Minh City without trial since November.

Vietnam had refused to free the men until they paid a U.S.\$1,000 per person fine and handed over their fishing boats.

In Hong Kong, the men's families collected \$366,000 to pay the fines, which has been handed to the Immigration Department for processing.

However, negotiations over the future of their two fishing junks—which the Vietnamese have insisted be surrendered—are still unresolved, according to the Immigration Department.

Yesterday a Political Advisers Office spokesman said the men's release was imminent and they were expected to be home within two weeks.

Earlier, it was feared the Aberdeen-based long-range fishermen might be kept in captivity for over a year.

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